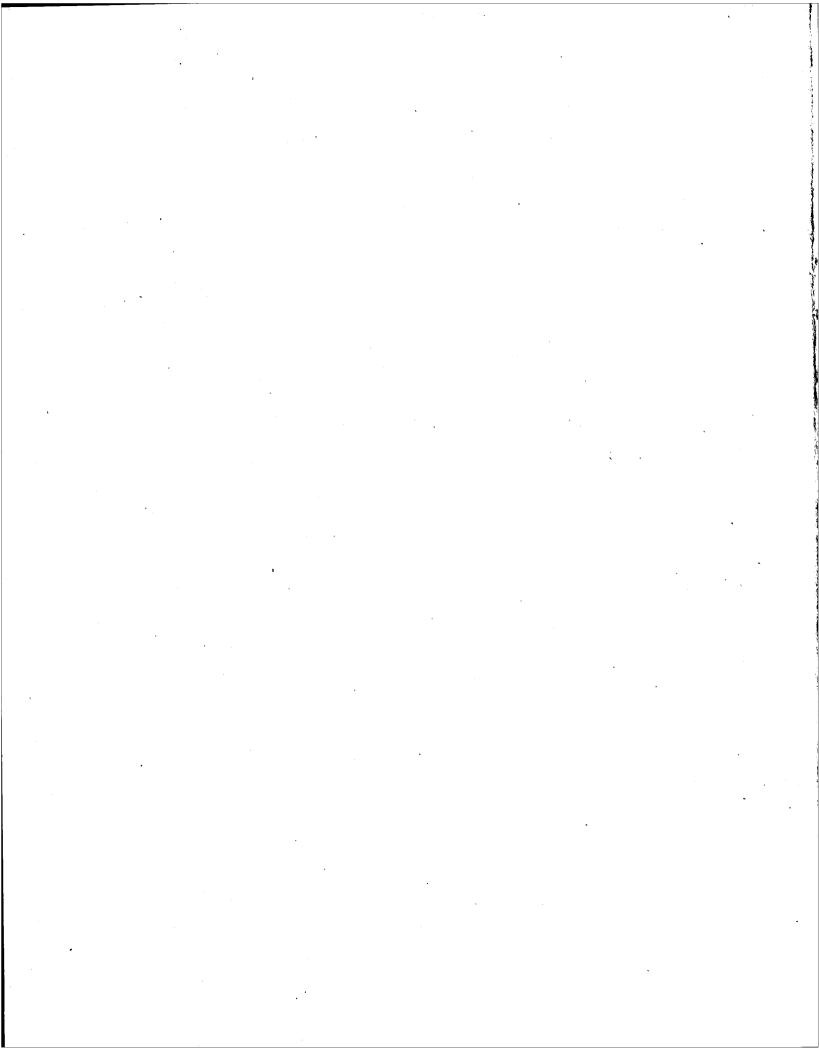


# AN ACTION RESEARCH JOURNAL on ORGANISATIONAL TRANSFORMATION

CA THE INSTITUTE OF CULTURAL AFFAIRS: INDIA



#### IMAGE

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The Institute of Cultural Affairs: India is a private, not-for-profit organisation registered under the Societies Act of 1860. Its services are designed to catalyse particlipation in improving the quality of life by serving the need for self-development in organisations, agencies, communities and corporations. It is affiliated with ICA offices in 28 nations.

The Corporate Services Division is responsible for designing and facilitating programmes that promote the human factor in the private and public sectors. It utilises methods and techniques developed by the ICA: India for engendering creativity and participation around issues that are critical to the success and advancement of the institutions' respective missions.

The Action Research Journal, produced by the Corporate Services Division, is intended to communicate the designs and formats that have proven useful in its service. The Journal will draw on a variety of sources including other ICA world-wide offices to provide a spectrum of practical tools and constructs that facilitate organisational transformation. We welcome comments and articles from our readership.

#### **ISSUE TWO-DECEMBER 1987**

"The Journey of Transformation"

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# ALIGNMENT AND ATTUNEMENT

#### THE JOURNEY OF TRANSFORMATION

This issue of the Journal on Organisational Transformation is focused on the practical methods of preparing an organisation for transformation. Businesses that want to do well will reconstruct their cultures to respond to "raplexity". This term represents the fact that for the forseable future the operating business environment will be characterised by both rapid change and increasing complexity. In addition, and perhaps most important of all, there will be an emphasis on creating a "caring climate", one in which the people not only participate in decision making but are able to see their employment as an opportunity to self-actualise.

This issue will explore the concepts of alignment and attunment and will share practical methods for their development. It will highlight three companies with which ICA: India has worked in developing these concepts. It will describe an analytical screen for designing a marketing posture aligned with the corporate culture and compatable with the leadership style. Finally, it will detail a helpful method for attuning leadership styles.

In preparing your organisation for a life-long journey of transformation two key concepts need to be understood and activated. One is **Alignment** and the other is **Attunement**.

#### **Alignment and Attunement**

The concepts of alignment and attunement are powerful images in expressing an organisation's capacity to be on the leading edge. Organisational Transformation depends on the degree to which these two forces are present. These concepts represent forms of energy that both invigorate and strengthen. An analysis of the balance of these concepts in the company culture suggests the focus for the journey towards peak performance.

#### **ALIGNMENT**

Much has been written on the factors that produce aligned organisations. Alignment is the degree to which those in the organisation share and are committed to a common direction.

Most businesses operate with relatively few people either aware of, or responding to, the long term future. Most of us show up every day conscious of little more than the day's tasks and some relatively short term goals. Goals, which are the quantifiable objectives of an organisation, are related to strategy. They can change and often do. Alignment is focused on vision which is more basic and relatively unchanging.

There are two aspects to Alignment. First is the capacity of the organisation to get everyone operating out of a common Vision. This involves both the Purpose of the oganisation and its Mission. Second is the way a company maneuvers within its Vision to always be in a pro-active or anticipatory posture.

Although it may seem relatively simple to create a Vision for an organisation, it is not. The difficulty arises from the fact that everyone has his own vision which may or may not "align" with the corporate Vision. Because people confuse agreement on goals with alignment they are often unaware of the degree to which they really do share the same hopes and dreams. Rarely is there a forum for the depth discussion necessary to discover and build a high degree of alignment.

What often occurs is that alignment is formed behind "somebody". It is then assumed that the ability to get commitment from someone produces alignment. It may, temporarily. But it also can produce kingdoms, loyalties and sometimes "blind obedience".

Alignment is a transcendant quality. It empowers everybody. Like a current of electricity or a magnetic field within the organisation it produces a "force field" that is beyond personality.

An organisation that is aligned is conscious of four dimensions that must be present and developed within itself.

- 1. A powerful and clear future direction, that both enriches the past and empowers the present.
- 2. Communication of the Vision to everyone.
- 3. A Vision that complements and reflects the individual Visions of all those who participate in the life of the organisation.
- 4. A Vision with "open space" which invites individuals to make their own contribution to making the Vision a practical reality.

But having or developing alignment is not enough as it can mean totally surrendering yourself to the organisation's Vision at the cost of losing perspective on everything else. Many aligned organisations have a high degree of "burn-out". From Japan have come numerous stories of chief executives who suffer heart attacks at an alarming rate as a result of seeing their company's life jeopardised by the high value of the Yen.

A balancing force is needed which enables the organisation to be sensitive to the human dimensions of business and the sense of integrated wholeness to society. Roger Harrison, a consultant in the United States has termed this as Attunement.

#### **ATTUNEMENT**

By Attunement we mean the degree to which the organisation is responding positively to messages from its people and society. If Alignment is the "brain", then Attunement is the "heart" of the organisation. Perhaps a helpful image is to see alignment and attunement in terms of two physical energy forms, light and sound. It can be helpful to examine a company using these physical qualities to gain insight to how these forces work within an organisation.

For instance, Alignment is a stronger, sharper form more like light. Attunement energies are more like sound, lower in energy. Usually the organisation is insensitive to all but the loudest and most frequent messages. It listens primarily to the Marketplace. Effective organisations have sensitive "scanners" that can detect subtle shifts in the balance of the market and have effective screens to "amplify" data that will enable better "resonance" or response.

Now carrying this analogy further, a "one note" company will miss the harmonics that come from fields or sources that are disrelated to the company's major "theme". On the other hand, a maker of a complex market product like an automotive company may find several relevant trends, for example, recreation patterns, health shifts, transport and communication modes.

Today there is a re-awakening to the necessity of staying close to the customer. Developing feedback mechanisms that keep the <u>whole</u> organisation attuned to the customer is the key to having a responsive organisation. It is relatively easy to imagine the marketing and sales people staying in touch with the market, that's their job. But how do you keep the manufacturing, design, engineering, maintenance, finance, personnel and hosts of other departments attuned to the customers? They each have their receivers tuned to their own station and for the most part see no benefit. Everybody seems equipped with a sender but not a receiver, and just "tunes out."

Many organisations are becoming more sensitive to factors that promote customer feedback. For instance, companies have found that taking production line people out to visit the customer can give workers an awareness of how important quality control is.

However, there are two frequencies beyond the market sensitivity needed in the receiver, one of a higher frequency and one of a lower frequency. High frequency sensitivity is related to the harmonics and discord that come from the interaction of people. Each person is in his own right a generator of energy. Every encounter between people has "communication" taking place at multiple levels - physical, emotional, mental and spiritual.

#### ALIGNMENT AND ATTUNEMENT

Concept	Alignment	Attunement
medium force measurement patterns value disturbance reinforcement instrument over intensity protection	light focus-magnification illumination .hues/spectrum coherence defraction/diffusion intensity lens burn out shades/filter	sound resonance-vibration frequency rhythm/cycles fidelity noise/interference harmonics amplifier drown balance/impedence

An organisation that is tuned only to the physical needs of people will not only miss the feed-back resonance energy that comes when higher needs are met or not met, but may misunderstand the disharmony and discord which can disrupt the organisation. The lack of a sense of being loved by the organisation is often unrecognised. How does an organisation become more sensitive to "the human factor"? Just as the sensitivity to the customer cannot be relegated to Marketing, so sensitivity to the employees cannot be relegated to

Low frequency monitoring is hearing the deep trends of history that are affecting us all. These are called low frequency because often they come as infrequent messages that jolt us into an awareness of events in society related to our particular business. Perhaps it takes a sanction that affects your product to make you aware of South Africa, or maybe a traffic jam to demonstrate clearly that new industrial and work patterns are needed. Whatever the message, the fact is that these long term trends are often "non-business" trends and require special attunment to respond to them.

the Personnel Department.

How do you create an environment that keeps the organisation open to the greater society? This too cannot be relegated to a single source like the "Public Affairs" departments. Great companies have learned how to image themselves as an integral part of the larger society in and through a redefinition of their role and purpose for being.

#### **Maintaining Balance**

These two forces need to be kept in a creative tension. A company which is aligned but not attuned may see its people simply as resources to be used and often discarded when they no longer produce results. Personal sacrifice is expected and demanded. A type of conformity can become normative. Over time it can produce a sterile environment in which finding meaning or having fun is an alien concept.

Attunement without alignment can result in an organisation being a great place to work, where everybody cares about each other, but the company doesn't go anywhere. A sense of stagnation can occur if the company drifts without a strong sense of direction.

Balanced organisations use the strength of each force to balance the culture. They "humanise" the Vision by making sure it includes the development of people in its central focus. On the other hand, attunement skills are used to ensure the Vision is a collective Vision. Employees at every level and in every kind of position can see how they are making a valuable contribution to the overall success of the company if given the chance to contribute to the Vision.

Creating both an aligned and an attuned organisation is a continuing process. It is a journey that starts not from some predetermined point, but from the company's actual current position or standing point. What follows are some examples of what some companies have done in embarking on that journey.

#### Alignment and Attunment in India

One Indian company cited "individual concerns over corporate goals" as the major issue blocking the company's future. As their executive team struggled to find approaches to meet this challenge, they realised the necessity for clear company purpose and mission. These had to be worth the years of productive life each of them had available to commit. While talking through the importance of balancing alignment and attunement they discovered something about themselves. They knew they were strongly aligned and thought they were attuned. But they discovered how critical it now was to develop second line leadership, a task which was clearly not accepted before.

Recently, an Indian chemical company had reached an impasse while planning for its annual meeting. All their strategies for that year had told them that the independent distributors played a key role in sales markets. The Marketing director confessed that something new had to happen with the distributors during the annual meeting. In previous years, many of the distributors had been invited to dinner, drinks and social events around the general meeting. The company now needed to establish closer working partnerships with distributors. What they needed was a climate of trust where sales people and distributors could meet around the table to strategise on both long and short term plans. What resulted was a change in format that had distributors getting their ideas into the sales strategy. By involving them, a new sense of belonging and participating in the company emerged.



Bhoruka Steel workers "Customer Focus"

## MANAGEMENT ALIGNMENT

The journey of alignment starts at the top.
The ICA has developed a programme for senior
executives that prepares them to build alignment
in their company. What follows is a description
of that programme and two examples of its
application.

#### Context

Another word for alignment is positioning.

Defined in terms of marketing, a deeper alignment is required before the market position is established. There is a definition of the company's position in terms of its Purpose, Mission and Operating Values. This definition must be in terms that illuminate the uniqueness of the company. It orients the company and serves as an internal gyroscope, or rudder, which guides it through turbulent currents of a fast paced world.

Many companies operate without this definition clearly in mind. They navigate by momentum or past performance. This latter posture has been likened to "steering by the wake of the ship!" A well defined and operational purpose and mission acts as an internal guidance system which needs to be in the collective mind of the entire crew, from top to bottom. This programme provides the basis for a collective articulation and commitment.



The Design

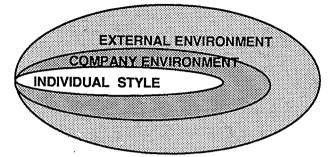
The MANAGEMENT ALIGNMENT PROGRAMME is a three day retreat for upper and middle management. The first day develops a current position for the company's alignment. The second day focuses on the creation of three major alignment components. The third day is spent refining and building an inculcation plan.

#### DAY 1

The company's current position for alignment is developed during the first day focusing the management team in three contextual spheres. The first is the company's position with relation to the <u>external environment</u>. Participants are first asked to list events in the industry, worldwide and in India, that have affected their business, in the past 20 years,

MANAGEMENT ALIGNMENT PROGRAMME				
DAY ONE	DAY TWO	DAY THREE		
DISCOVERING THE ORIENTATION	DRAFTING THE COMPONENTS	PLANNING THE INCULCATION		
ALIGNING THE COMPANY TO THE TRENDS  REHEARSING THE UNIQUE COMPANY JOURNEY  RELATING TO THE LEADERSHIP STYLES	STATING THE COMPANY'S PURPOSE  DEFINING THE STAKE-HOLDER RELATIONSHIPS  ESTABLISHING THE OPERATING VALUES	REFINING THE DRAFT STATEMENTS  DISCERNING THE MANAGEMENT ROLE  DESIGNING THE IMPLEMENTATION PLAN		

the present, and the future (10 years). Then key events are listed for the organisation itself - again over a time span of past, present and future projections. From this broad scope of global and local events, relevant emerging trends are named.

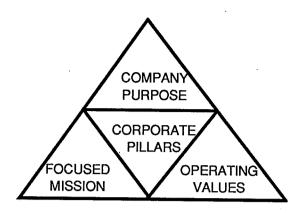


A second contextual sphere of influence concerns the <u>company environment</u>. Here participants go into great detail to reconstruct the people, inventions, product development, stories and history of the company in such a way that as much of the current reality as possible is highlighted. The purpose of this workshop is to bring awareness to the journey the organisation has experienced, and to highlight decisions which have created this unique enterprise.

In the third contextual sphere of the day, individual style strengths are discerned through the use of a self inventory tool called Style Flex. Individual style characteristics as well as team styles are identified, analysed and illustrated through role playing. Prospective Flex Style behaviours are studied through which managers can lessen the stress and strain of human relationships in practical day-to-day working. A further description of this component can be found on pages 8-9 of this journal.



DAY 2



The greatest difficulty in building a statement of the company's Purpose is getting beyond the belief that the primary purpose is to make a profit. Profit is, of course, important and is essential to survival, but it is not its Purpose. Purpose provides integrating direction to the activity. Profit is a consequence of having made a contribution to the market place. A focus on making profits will not produce depth alignment.

The company's Purpose statement is created by asking the questions, "What business are we in? What is the significance of our existence? To what needs of society are we responding? The focused Mission is defined by first outlining all the stakeholder relationships that define the company's existence. On whom are we dependent and who is dependent on us? What are our responsibilities and what do we have a right to expect? In these defined relationships, what is our unique contribution to society? This swirl of data outlines parameters of the Mission. Two organisations can share a common Purpose but each may have a different Mission. For example, the Indian Army and Navy have the same Purpose but not the same Mission.

A company's Mission starts with a clear understanding of "How do we engage in the business we are in?" A narrow definition here can channel a company into a myopic view of its future. In a dialogue workshop, refinement of major stakeholder responsibilities produces elements of a Mission statement.

Finally, the Operating Values are declared. We look for three types. The foundational values are unique and deep-seated aspects that have defined and developed the company. Many have to do with ethics, integrity and how human dignity is protected. Strategic values have to do with what the company values in light of effective marketplace operations. These vary widely from company to company. Third are operational values related to style. They reflect practices and attitudes which make up the operating culture.

#### DAY 3

Words are powerful, and care must be taken in formulating statements which communicate these important ideas in language with which everyone is comfortable and which convey intended images to others in the organisation. Therefore the majority of this day is spent in small writing groups honing the previous day's work into concise statements.

In a concluding workshop, participants reflect on the refined Purpose, Mission and Values they have created, then outline for themselves a plan for communicating them. The management team finds itself in a new position of strength to extend alignment to the rest of the organisation.

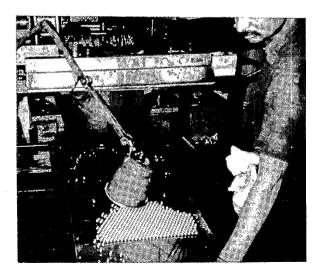
#### SKF BEARINGS INDIA LTD. PROGRAMMES

"The Management Alignment Programme will enable us to achieve a uniformity of approach, striving as one toward the same goals. We show our targets in budgets and as quantified indices but are somewhat passive when going after our goals. Why? The goals appear unclear. If we actively put our minds to necessary achievements, they can be the brainchilds of all of us!"

Mr. Stig Bokmark, V.Pres.-Manufacturing

"Maintaining profitability depends on cost control and continuing to be the quality leader so that top price can be maintained. Now, more than ever, the management team has to build a corporate effort to get the whole workforce involved."

Mr. Gordon Huddy, President





#### **GODFREY PHILIPS INDIA PROGRAMMES**

Godfrey Philips wanted to do an Alignment Programme series for its 70 supervisors and managers from the GPI factory in Andheri to lay the basis for participatory planning and implementation. The programme was designed to communicate to the management team that the company wants their participation and creativity. They were enabled to see their individual future aligned with that of GPI.

Mr. Ajit Shrowty, Factory Manager, stated it this way in the opening address. "We want to integrate the Andheri Unit philosophy with the Company Five Year Business Plan. We want to take into account the total business environment, our culture and values, look into our strengths, and work out a path toward our objectives. Our current Company philosophy sounds too philosophical so we will rearticulate it to make more meaning out of it, to make it practical."

#### **PARTICIPANT QUOTES**

"New vistas and visions acquired through various workshops and brainstorms will be communicated down the line in a manner which will achieve maximum benefits to the Company."

"I've learned to listen to others and to try to understand them."

"I've been here 22 years and this is the first time we've ever spent this amount of time together as a management team sharing ideas."

"In the several months since the Alignment Programme, it's the first time I've enjoyed working in the factory for years."

"I'm now in a position to listen and understand others before taking judgement."

## METHODS AND RESOURCES

#### STYLE FLEX

#### AN INDIVIDUAL STRENGTH ANALYSIS PROCESS

People operate differently -

- \* one rushes to take over a situation; another is more patient.
- \* one makes decisions quickly; another takes time to get more data.
- \* one has an ask oriented style; another is tell oriented.
- \* one works well in constant, open interaction; another prefers quiet and solitude.
- \* one is more skilled at creating bold new ideas; another is better at detail work and routine.

We find ourselves angry or despairing at approaches different than our own. Organisations are looking for methods which enable individuals with diverse styles to work together more productively and harmoniously.

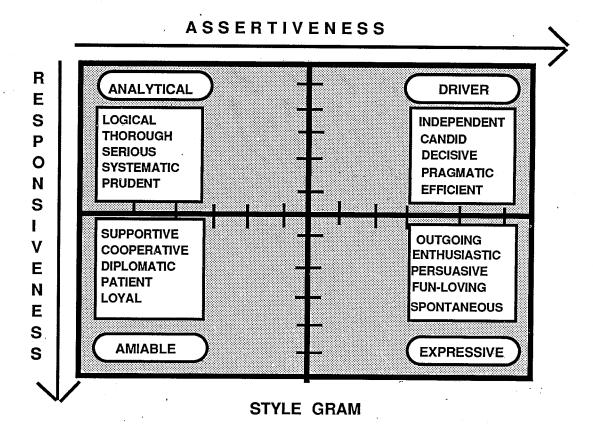
One way to enhance communication and working relationships is through personality testing which identifies natural behavioral profiles. Questionaires indicating personality patterns are used in management development programmes to reveal how others perceive us as well as to enable more effective job assignments, performance appraisal and internal working relationships. For example: How do others perceive you - what does your style communicate to others? How do you understand yourself? In what situations do you feel most comfortable? What are the understandings which influence how you operate?

Style Flex diagnosis and application has become an important component of a Company's alignment and attunement process. It provides an objective picture of the make up or personality of the total workforce, beginning with the management team. This helps to clarify and objectify Company strengths in terms of its diverse human resources, enabling each team member to know his or her own natural strengths as well as those of co-workers. Being unself-conscious about the possibility of managing this diversity often allows barriers of misunderstanding, conflict, isolation, mistrust, and individualism to develop.

#### **METHOD**

Style Flex, an approach devised by Ridge Training Resources, New York City, USA., is a means of self-consciously flexing or adapting one's own style to establish a more constructive, mutually beneficial relationship. It is designed to dramatise that every style has its own strengths. It assumes that flexing my style to another person whose style is different can influence constructively the quality of our relationship

- 1. A simple 18 question test is given, the answers being how you think others perceive you. This test relies heavily on physical clues, like gestures, loudness of speech and degree of eye contact. It also has you judge your decision making process, for example, "exerts more pressure for a decision or less pressure".
- 2. The results based on 1) the degree of one's assertiveness and 2) one's responsiveness to people (as opposed to being task oriented), are then plotted on a Style Gram (see next page). Each person in the group is able to observe his style as it relates to the style of his colleagues.
- 3. To ensure clarity on the 4 styles, detailed descriptions of each are read and discussed, each person selecting those points most applicable to himself.
- 4. Members of each of the 4 style groups role play a situation, demonstrating significant attributes of that style.



- 5. The group is then divided into the 4 styles for more in-depth dialogue on guidelines for how your style likes to and needs to be managed. Each person plots on the Style Gram the names of his boss, a peer, or a subordinate with whom better working relations are needed.
- 6. Individual style flex implementation plans are created by the participants and evaluated over several weeks.
- 7. Practice flexing is carefully and sensitively done and monitored over several weeks. The group then reflects on the experience, its learnings, challenges and the implications for future use, especially how to share it with others in the organisation.

#### **RESULTS**

In one company which included mostly Drivers, only a few Analyticals and Expressives and one Amiable, we discovered the Drivers constantly cuting off the lone Amiable's contributions. In small group workshops, we discerned he had very insightful, useful and practical ideas which were not getting out in the group. During the ending reflection, we described the Drivers reluctance to listen to each other. At the next programme we found the Amiable playing a key creative role in the group, now willing to talk in a still aggressive group which had conditioned itself to pause and listen.

In another company, the Managing Director is a strong Driver who got to the top by being right, fast, aggressive and creative. He was mature enough to see the necessity to withhold comment on every participant's contribution and disclosed during the final evaluation that he was going to make a practice of more careful listening. Over the three days, other managers became increasingly outspoken, noticeably listened to each other more and found not only that greater information was interchanged, but they had developed a new respect for each other.

## THE WAYS OF TRANSFORMATION

What are the ways of transformation? The most important word here is **ways**. The issue is not <u>if</u> transformation is occurring, but <u>how</u> and <u>why</u>, and what's the **energy** that is driving the how and why. Businesses and organisations transform constantly; the question is what's the driving energy system which is defining its direction. For the question of transformation you have to look at an organisation from three different perspectives, the marketing posture, the culture posture and the mindform posture.

#### **Three Postures**

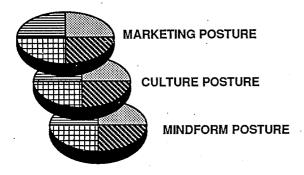
The marketing posture question is, "what is the nature of the interface between the company and the market and what are the transaction energies that are driving it?" Directing this energy is called competitive positioning which enables a company to establish itself in a market niche and sustain its presence long enough to achieve its goals. The issue is, once established, how do you sustain a defensible market positioning?

The culture posture question is, "what is the nature of the internal energy system that enables it to sustain communication to the external environment? Communication is sustaining the capacity of doing business over time. How do people interact? What are the paradigms around communication, of power, of information flow? What are the stories that sustain its life.

The mindform posture question is, "what is the nature of the structure that drives the energy that makes up the system in the first place?" What is the purpose or visioning that is going on inside that gives a sense of purpose? What gives it life? How does the organisation focus the human energy within its boundaries?

These three postures can be best understood through an image of three master postures each divided into four different energy quadrants. How these energy quadrants function is described later.

#### **MASTER POSTURES**



#### **Transformation Locus**

Transformation can occur in any of the three postures. When you work with an organisation, you better be clear which posture it needs to have transformed, or where it feels the transformational process is stuck. Is it in the business, in the culture, or is it in their head? Is the mindform that they generate working for them or not? So your diagnostic questions have to be clear in each of the postures so you know what problem you're solving.

#### **Marketing Posture**

Each posture has four energy quadrants, each designated with a color code.

RED This is product/service dominance. Dominance is the ability to establish oneself and beat anyone else who tries to exist in that market with you. You beat them by being the first-est with the most-est. Quality is not yet a question.

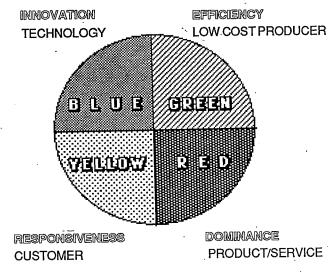
The issue is the <u>speed</u> with which you can bring more to the marketplace in a manner that dominates the consumer's mind. It has nothing to do with sustaining presence yet, it only has to do with getting there. Companies that are good at doing this are very adept at focusing energy. They usually get a very clear tight focus, like a laser beam - very focused and convergent light. It's a very easy business strategy to start, but not necessarily easy to sustain.

**BLUE** The opposite of Red is establishing your competitive position through some form of technology or process innovation. You are able to completely dominate the thought form or the idea base that's running a particular technology. It's idea-based versus product-based. It requires a heavy commitment to research and development and establishing your company image as a "leading edge" organisation. It also requires a great deal of patience as most truly innovative products have a large upfront investment and a long payoff period. YELLOW Another one is competitive positioning established through customer responsiveness. You are able to respond to the customer faster than the customer even knows he has a need. You get to the customer with a product so fast that the customer relaxes because you're there with almost everything they want.

This is true especially if you deliver both product and service in such a tight way like IBM that customers would never think of going to another supplier. They feel very secure that you know what they need and will be with them for life. The bond that is created is so strong, people almost believe that it is created just for them. Its weakness is that over a period of time it has to keep moving very fast in moving beyond its customers because coming up behind are the Japanese who are creating low-cost producer capacity (Green).

GREEN Creating a predictable and controllable system. These people come in after the innovation, after the customer need has been established, take all the cost out of it, and re-enter with the same product back into the marketplace. If you haven't bonded your customers with the IBM-type of relationship then you will lose them.

#### MARKETING POSTURE



#### **Competitive Strategies**

Blue-Red Businesses that can put these two postures together are very powerful and are called entrepreneuring systems. They are extremely focused on an innovative technology that no one else has yet. But the speed or the lifecycle of products today is so short that competitors catch up very fast. The key is to generate technology quicker that the market can use it, and therefore stay ahead of the competition. Sometimes, a very mature business wants to act like a venture capital firm. They want to take small ideas and put them in a petri dish away from the corporate immune (rejection) system and put the cover on so the idea can grow to critical mass before being exposed to the world.

Most corporations will take an idea and try to run it through a red strategy. If the company is not mature enough to handle the idea, the idea dies. Entrepreneurs, being delicate creatures, want protection from the corporate immune system and all they want is oxygen, (which is cash), to breathe, to let the thing grow. So you've got to put the cover on it and keep the finance guy from saying, "let's put it against a particular target for R.O.I."

To the extent that you can balance this energy you create a figure-eight flow of energy in the business. The two energy fields can act very synergistically, each empowering the other producing a very powerful market position.

Yellow-Green This strategy makes small incremental changes that constantly supply the customer with what he needs without major shifts in the product. By constantly focusing on the customer's needs with affordable changes you build a bonded relationship so that he always can use the technology you have supplied him originally. What IBM does is to stay one step ahead of the customer in leading them down the migration trail. It's not that IBM has the best type of technology; it's that they have the best service for the technology level of the customer.

Red-Green This competitive strategy is "hold on to them and suck them till they're dead." You take a market segment you dominate, provide them with a product or service that you've milked the cost out of, and you try to lock that customer into you. You cannot simultaneously dominate a marketplace, have innovation and be low cost. It's impossible. But you can be low cost if you've targetted yourself at a particular customer needset and you stick with it for a long time.

Blue-Yellow Another combination is, for example, like a consulting business, providing a customer with a set of ideas to meet their problems, even before they're aware of them or in response to the ones they have. It is always attempting to move the customer up a notch so that they will consume the ideas these people have to sell.

**Blue-Green** This kind of strategy is a Bell Labs where you're constantly trying to create replicable technology in the marketplace. This requires an effective interface between product development and production so that new technologies enter the market at a low cost.

Red-Yellow An example of this strategy is the U.S. automotive industry. They try to dominate the market by providing a wide variety of products to many different market segments. It relies on constant advertising and a lot of "cosmetic" changes to keep consumer demand high.

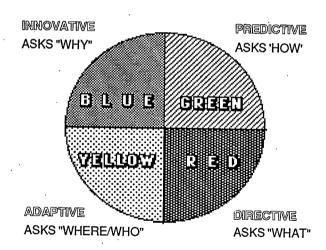
An example that contrasts these strategies is to look at how the Japanese responded to the need for

the addition of pollution control measures for automobiles. The US auto industry, following a Red-Yellow strategy added a catalytic converter to the car. The Japanese, following a Blue-Green strategy completely redesigned the engine.

#### How to use this screen?

Have a group of executives distribute 12 points over these four competitive strategies. You can have no more than 6 in a cell. What they usually end up doing is fighting over their competitive position. The marketing man will always say it's yellow. The manufacturing man will say it's green. The sales man will say it's red. The result is the primary energy set that's driving the organisation. Once executives see this, they can decide if they want to change. You ask, "if this business were operating at optimum, in terms of its asset base, what would the strategy be?" (if it's different from the one you currently have)

#### **CULTURE POSTURE**



#### **Culture Posture**

Red The first cultural descriptor is directive which simply means there's an answer which is right/wrong, boundaries are clearly set for binary logic back and forth, the energy is focused on one or the other - right or wrong. Choices are fairly clear. Changing strategy means, if it's wrong, make it right. Form and function are continued by that binary logic. That means that one person has the answer, the leader, and everyone else follows suit. If you want to be in a system that has a dominance sense about itself, you better have these kind of people or you can't sustain it.

Blue The innovative culture constantly asks "why"? Red asks, what do I do? People quickly learn to stop asking questions and just do what the boss says. The assumption is there needs to be a leader and it might as well be me. Where this works best is where the product or service is very defined and the only question is how quickly can you get it to the marketplace. You don't want a lot of people going around trying to innovate the product or service because you won't know where you are. What happens over a period of time is the "why" people leave that kind of culture, or they go underground and sabotage. The reverse is also true. You get a culture that's based on innovative strategy, on wanting to be the first and the best technology, the purest technology available whether it focuses on a saleable product or service or not. You don't stay in business very long if your goal is purity. But you put red and blue together you get an awesome machine.

Yellow In an adaptive culture you can't stay locked into any particular value set or belief state about goodness. Goodness is what the customer says is the next level of goodness, so you keep adapting. If you lose your ability to flex, you lose your ability to compete.

Green The last one is the predictive culture. Everything operates on recurring cycles where the value is efficiency. Now when you get this yellow green polar opposite going, you get little, tiny incremental changes going on by which you can control the cost variations.

These cultures feel different. When you walk into a culture which is totally adaptive, the rules are "be fast or you die." If you're not near the core of this system and have the latest scoop on what's going on, you get in trouble. "Green" culture is very slow, sluggish, but it's predictable, because there are no waves in it. The feedback loop is so tight, everything is so focused on precedent, tradition, everybody knows the rules. The feedback loop is "the reigning order says it's right or wrong". It takes all the ambiguity out of the system. If you don't like ambiguity, work in a green system.

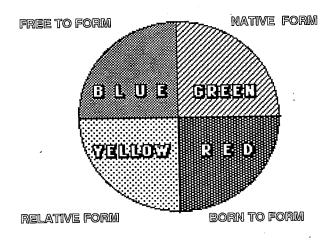
#### The Change Process

The change modalities occur by surprise in the yellow culture. I'm adapting to something in my field that I'm perceiving needs adapting to. Nobody else sees it because everything is in relative position to everything else. For red it's who you know and how you're going to respond to who you know. The blue person is marching to a drumbeat that's causing them to migrate their focus. Everyone else is very confused about what dance this person is migrating their focus to. One of the

metaphors is these are the germs in the system. These are anti-rule folks. They don't like rules because they don't like to conform. What they do conform to is the latest information they have coming into their receiver. Red people say I'm only listening to channel 96. Blue people play with the dials. They are the germs in the system, running around trying to change the system. Red people are the antibodies, white blood cells, looking for the germs in order to kill them off. This results in infection and swelling. When you look at an organisation you can identify where they are swelling, indicating blocked conflict. And it is red hot.

The blue change strategy is based on "I have an answer to the problem that I want to make into something." Red says, "I already have the focus I want, don't bother me, I already know what I'm doing." And blue is saying, "this organisation encourages us to ask questions. I've been asking a lot of questions but no one wants to hear them." The way red kills them is to burn them. So change happens differently in these cultures. Red - the boss said so. Green - tradition said so. Yellow - the environment said so. Blue - my mind said so.

#### MINDFORM POSTURE



What is the nature of the energy system that's driving the culture that then enables the transactions to occur with the environment? What is giving the organisation intentional energy form? It is not necessarily the CEO that is behind it all. A lot of CEO's inherit businesses. The average tenure of a CEO in the USA is 6 years and it takes 10 years to shape a culture.

Red Born to form people believe there is form and it might as well be theirs. They constantly give themselves permission to born form, create the form. Born to form people are very tough to deal with.

Blue Free to form people create and change form at will. Put red and blue together and you get that entrepreneuring mind. Free to form says, everything is free to have its own form, and therefore I am free to build my form whenever I want. When you have clear mission, you have a self-guided system that is learning as it goes - like a laser. It's a learning system that's constantly innovating as it goes, adjusting and focusing as it goes, always scanning.

Yellow Relative form people always operate relative to something else. They create a perspective that's relative to something they're related to. They know where they are if they're in relation to something else which tells them where they are. They have an incredible capacity for ambiguity as long as they're in relative position to somebody there. The only time they're lost is when their relative anchor point is missing.

Green Native form people have an internal form that tells them where they are all the time. They don't need to explain it to anybody. The yellow like to orbit around green and it drives green nuts. The green are always in a position you can count on, because their form is a native form that is internally consistent to them - predictable. They are constantly projecting that native form out which gives the yellow a reading as to where they are. But yellow is always trying to change them so that they can orbit in new places.

#### **Building Alignment**

Once you have done an analysis of the three energy levels you need to decide if you want to align the postures. It is not necessary to have them all the same "color" for good performance, but it does make things work more smoothly. The energy does seem to flow with less resistance. As this energy becomes very high-powered you can even reach a "flow-state" mode of operation. In this mode people within the organisation experience everything falling into place. The organisation responds smoothly and comfortably to change.

This article is an edited version of a talk given at the conference on The Ways of Transformation in Lyons, Colorado, USA in June of this year.

# ALIGNMENT THROUGH L. E. N. S.

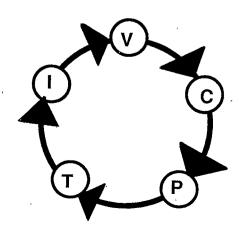
# Greaves Greaves

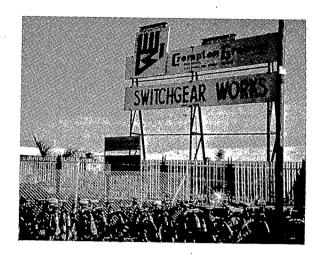
Switchgear Division in Crompton Greaves Ltd. is a high tech division providing switchgears for major clients such as State Electricity Boards, railroads and large industrial complexes. Located in Nasik in 1981, it has grown rapidly with the introduction of advanced systems produced with Japanese, Swiss and British technology. Although the long range perspectives appear to be very bright, the recent expansions into new products created problems that required a new sense of corporate alignment. What follows is an overview of the LENS process and, within the limits of confidentiality, the results it has produced.

How do you produce alignment on major strategic issues and maintain a continuity in day to day operations? Often this can be a time consuming process taking many months to plan followed by more months of implementation. There is always the question of getting "buy-in" from everybody who is affected. The LENS (Leadership Effectiveness and New Strategies) programme is designed to produce a consensus on an action plan on any major issue facing an organisation. It works because the process assures commitment when those doing the planning also do the implementation.

#### The Lens Process

The LENS is a five step process spread over three days. Each step takes a half day with a whole day spent on practical implementation procedures.





THE PRACTICAL VISION: A composite picture of all the desired practical results of the company's future which shows the inter-relatedness of the components.

THE UNDERLYING CONTRADICTIONS: A matrix of major issues identified within the organisation, presently blocking the Vision.

THE STRATEGIC PROPOSALS: A balanced and integrated strategy of major new directions for the resolution of the Contradictions.

THE TACTICAL SYSTEM: A design of key result areas with each area having multiple actions designed to activate the proposals over a six to twelve month time period.

THE IMPLEMENTATION CALENDAR: A detailed analysis of specific action plans for the first three months.

Each session utilises the conclusions and decisions from the previous session, progressively building the process at each stage. But this is not a linear process. In each session, the data is developed into an integrated picture of that dimension of the plan. For example, strategies for contradiction resolution are not built for each contradiction separately but rather all proposed solutions.

#### The Design Conference

Before a LENS can be held, a consensus needs to be established about the **Focus Question** to be addressed. Although the CEO or Managing Director may have formulated the question in his own mind, often the other key players of the management team see the issues differently. Only when there is agreement on **the** key issue(s) can everybody be aligned towards the same future.

A one-day session with six to ten people from the management team, produces the Focus Question using a workshop process. The senior officer lays out the context and the ICA conducts a structured discussion regarding the future of the operation. The intent of this discussion is to elicit a broad perspective of the trends affecting the industry. A brainstorming session on the current issues produces a comprehensive list of concerns. These are grouped into three or four areas and the major underlying issue of each area determined. Finally a statement is produced that joins these issues into a Focus Question that must be resolved. At this point it becomes clear who should be participants in the LENS, those whose responsibilities are affected by the question.

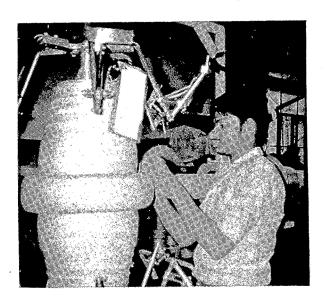
For Crompton Greaves Switchgear Division (CGSD) the Focus Question was "How do we solve the cash flow problem through production systems and managerial efficiency while maximising production capacity and developing a sense of teamwork across functions?" In March of 1987 32 participants gathered for a LENS on this issue.

#### The LENS Programme

VISION: After an opening context and group familiarisation with the question, the group was divided into four teams. Each team was well mixed to provide for a wide diversity of perspective. After each person individually listed elements of their five year vision, a brainstorm list was developed. All ideas were given equal merit and recorded on a master list by the ICA facilitator. After discussion, a composite list of 20 items were selected by each team and written on 5x7 cards. In a plenary session all the team items were eventually combined into the Master Vision. Thirtyseven elements resulted and were grouped in nine arenas which included CUSTOMER ORIENTATION, LEADERSHIP IMAGE, FINANCIAL PERFORMANCE, REORIENTED INFRASTRUCTURE, and QUALITY CONSCIOUSNESS.

CONTRADICTIONS: The contradictions session is the key to the LENS effectiveness and what makes it unique. Because underlying issues are often hidden it is critical that they be identified. This can be a real "soul searching" time as the group struggles to identify what are the structural and attitudinal constraints. But the process keeps it from being discordant. Effective alignment happens because the objectivity of the vision keeps the group oriented towards the future, not the past. Each team is given separate parts of the Vision and through a similar workshop process, identifies the key obstacles to their part of the Vision. By combining

these different parts in a plenary session, a matrix of overlapping problems emerges. The facilitator keeps pushing the group's insight as to "why?" or "what's underneath?" each cluster of blocks. This results in a sense of unity as the group sees, many for the first time, that they all face a set of common concerns that transcend individual departments. CGSD identified seven Contradictions which included ABSENCE OF COMMON OBJECTIVES, INFORMAL NEW PRODUCT INTRODUCTION and NON-INTEGRATED SYSTEMS PLANNING.



The first two sessions are the analysis section of the LENS. Both the future and the present are now clear. We know where we want to go and we know where we are. Now comes the question of Strategy.

STRATEGIC PROPOSALS: Strategy that is focused on Contradictions rather than the Vision will yield more creative proposals and provide a more objective measure for assessment of results. Each contradiction is attacked separately. A set of one to two year proposals is generated for each contradiction. Bold new ideas are encouraged as well as those that utilise existing strengths and advantages. Again, because the team environment is conducted in a non-judgmental evaluation mode, people feel free to risk new ideas. These proposals are combined across teams and a powerful integrated strategy results. CGSD identified a central strategy that was designed to OVERCOME CRISIS, flanked by MANAGING CHANGE and STRENGTHENING OUR BASE.



Proposals are like sign posts. They point to the new path but they don't get you there. Another step is required, just as creative and much more practical. We call this step Tactics.

TACTICAL SYSTEM: Many groups tend to move directly from the vision to action, forgoing contradictions and strategies steps which are necessary for deeper insight to produce a winning action plan. Because everyone contributed to the evolving plan, the group maintains a common perspective and a commitment to see it through. Good tactics are most difficult to create. Identifying innovative actions is the key. Here the facilitator urges his team to develop objectives that are realistic, catalytic and on target. Each team researches a separate list of strategies and selects a total of twenty tactics. In the plenary session the group combines similar actions into a system that reveals which actions will have the greatest impact and occasion the desired changes. What emerges is a battleplan that can be orchestrated and altered as the plan is implemented.

CGSD created actions in seven Key Result Areas such as NEED BASED REORGANISATION, LAUNCHING CASH MOBILISATION and OPTIMISED PRODUCTIVITY.

IMPLEMENTATION: How do you launch a company wide effort that will yield quantifiable changes in three months? Cross-department taskforces are formed to begin immediate implementation on 5-7 high priority tactics. All the participants are on a task force, usually one for which they volunteer. Each team builds a three month plan in explicit detail, including the measurable result. These are explained to the whole group by the teams and constructive adjustments made. Each team creates an identity by selecting an appropriate name.

#### Follow-Up

What happens when the entire management team is committed to a common action can be explosive, in a positive sense. Everybody has a common reference point and specific tasks. Because the task forces are cross-departmental an improved communication results in all areas. A spirit of innovation and cooperation can result, but a guiding hand must be maintained. Unforeseen obstacles occur; important decisions are needed for momentum to be maintained. That is why the LENS has built in three follow-up sessions, one month apart.

At each session the teams report their successes, their blocks and plans for completion. What is revealed, besides the direct accomplishments, are other changes and results that have been catalysed by the teams. Each team can share in the success of the other teams because they helped create the ideas and plans.

After ninety days the whole plan is discussed, adjustments made and a new set of action implementation plans created. New members are added to the task force to broaden participation and expand the alignment process. The group is encouraged to include celebrations into their plans. Injecting this dynamic adds a dimension of attunement to the process.

CGSD task forces completed their objectives in the ninety day time frame. Among the accomplishments were a reorganisation for product development and several new systems for analysing nonmoving inventory, cash mobilisation and removing bottlenecks. Many of the contradictions still remain and much work needs to be done. Contradictions don't disappear in three months. But there is no doubt that there is a new sense of alignment within the division. A "can do-together" attitude pervades the operation. Perhaps the individual change can best be understood from one of the participants who wrote these thoughts.



#### One Participant's Observations

### WHAT THE GROUP FELT OF AND LEARNED FROM THE LENS PROGRAMME

#### \* EXPERIENCE

It is an experience - unique, worthwhile and necessary. We felt others too should have an opportunity to share and the message must be spread. The best way to do this is to live it in our every day life.

#### \* VISION

All of us do have visions. LENS consolidated the vision of the group on a PRACTICAL plane into meaningful goals. PRACTICAL is the key word and being keyed-on to these practical visions keeps us all on our chosen tracks, rising above the day-to-day setbacks and even disappointments.

#### \* INTUITION

Likewise, all of us have intuitive powers to varying degrees. Our problems are best known to us and intuitively the possible solutions. The LENS faculty having no particular expertise in technological or commercial aspects of our business could skillfully bring critical questions out and hold them in front of us for our decisions and necessary prioritisation. This light gave enormous confidence within ourselves to see through the darkness ahead.

#### \* TRANSFORMATION

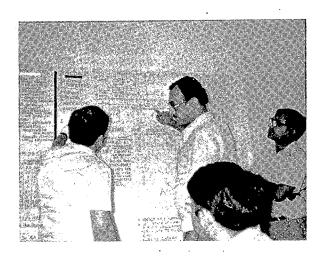
We came to realise that it is entirely feasible to bring about transformation - particularly transformation of the self. Having grown used to taking position from individual standpoints in our own wisdom, the facilifators brought out the awareness that alignment of a professional group is feasible, towards a common goal. With alignment, all tasks do become free rolling and enjoyable. The importance of the core members however, like being keyed-on to visions, could not be missed.

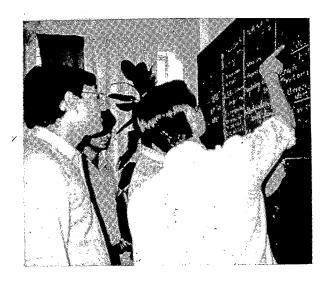
#### \* TASKS

During the three days we developed a compendium of worthwhile tasks both in the short and long range. The enthusiasm with which the group voluntarily accepted to complete high priority tasks during the next 90 days despite heavy preoccupation to meet our budgets for the year in the same period, stands a testimony to what in essence LENS has done for us.

#### \* METHODOLOGY

Lastly but not the least important, the simple, direct and universally applicable methodology of participative technique of problem solving made a lasting impact on our minds. It is not so much the participative style that is new as it is the method of holding the whole array of individual thoughts and wisdom for common viewing and aligning, that help crystalise into committed action plans for a common goal.





#### THE JOURNEY OF SPIRIT and

Out of his 10 years experience in working with large organisations in the U.S., Harrison Owen has written a remarkable book called SPIRIT Transformation and Development in Organisations. His keen perception of the shifts in consciousness and form should be receptive to the Indian psyche. The book is well documented with examples from his own consulting and has very practical methods for using this understanding. What follows are edited exerpts from Chapter 2, in which he lays out the Journey of Transformation in organisations.

The Journey of Spirit may be described in a series of stages which constitute the course of transformation within an organisation. Each stage indicates some different quality, or mode of that spirit which becomes manifest in appropriate activities and forms.

**INSPIRED** 

INTER - ACTIVE

**ACTUAL** 

**PROACTIVE** 

RESPONSIVE

REACTIVE

THE GREAT DIVIDE

INFORMATION/DATA

LANGUAGE

**POTENTIAL** 

UNDERSTANDING

VISION

**OUT OF THE DEPTHS** 

The movement at first (from the bottom of the figure to the center line) indicates a passage from very high, but diffuse spirit toward increasing specificity and concreteness. The journey starts with....

OUT OF THE DEPTHS At the genesis of every organisation there is a moment when some individual has what amounts to an Ah-ha experience. This is the creative moment when something emerges out of nothing...it appears from Out of the Depths. At that instant the originator may not precisely know what to do, and where it might lead, but it is definitely there. If fortune smiles it might take increasing shape as a...

VISION Literally, a picture or image of what all of this might mean. A story is told, images are called forth. It is more than concretion of an idea. True visions are inclusive and re-interpret the whole world or context from which they operate. They can be shared with others and inspire them to see this "New Reality". It is like an initial shot of energy which begins to take form, shape and direction. As others participate, it often changes, becomes richer and moves toward a more rational form. As this concrete ordering emerges it moves into the next stage of...

UNDERSTANDING With Understanding the Vision assumes logical form. The drive and power which appeared previously only as images, are now reduced to a rational format. Shape is measured, force is calibrated, products and goals are specified. The restrictions of space and time are recognised and dealt with. Whereas Visions may typically ignore the conditions of everyday and see everything as possible, the workday doesn't operate that way. Resources must be obtained. Markets must be developed. People need to be mobilised and equipped. Linear thinking must be applied in order for that which emerged Out of the Depths to move from Vision to the real world. The possibility of such expression comes through the creation of...

LANGUAGE Organisations quickly develop a special language peculiar to themselves in which their Understanding, Vision, and sense from Out of the Depths may be expressed. The creation of this language is a necessary further step along the road to actualisation, as Spirit moves from primal thought to the point where something REALLY

The key is naming. When something is named, it is literally called into existence as a conscious element in the life of the organisation. Each organisation begins to develop its own vocabulary that communicates its understanding in unique ways. Language sets it apart from other organisations and communicates, often in subtle

# ORGANISATION TRANSFORMATION

ways, the Vision, norms and membership relationships. Until you know the language you really don't know the organisation in terms of its unique sense of Out of the Depths, Vision and Understanding. Finally it is through the names-language that the organisation identifies those things of its world of particular concern to it which must be collected and measured in order to do business. These things are the...

is measured, plans made and changed. Data and information only become comprehensible in the context of a particular Language, structured by a special Understanding, which in turn articulates a peculiar Vision: By themselves they are meaningless, but each is absolutely essential if the organisation Spirit is going to pass from the level of "Great Idea" to something that "Really Happened". All that has occurred so far is under the heading of "getting ready", as the Spirit proceeded from high levels of diffuse energy to something specific. But the journey is necessary if the Spirit is to hit the world in a powerful and concrete way.

At each level the Spirit appears in a unique and different way. As it journies to more and more concrete form it undergoes a transformation whereas every level is connected to and in a sense contains the preceding level. It is also true that spirit when it appeared as understanding is different than in its appearance as Vision. This difference is critical to understand. Each transformation sees the Spirit going through a different manifestation, and this change is a discontinuity or Open Space. Open Space is the creative area where people must work out their organisation's Transformation. Each form of Spirit must end (die) before the next emerges.

This works like the transformation of a caterpillar into a butterfly. The caterpillar does not develop into a butterfly by slowly growing butterfly parts in the cocoon. It disolves into an unrecognisable state completely different from its caterpiller or butterfly form. This Open Space is the Transformation process. So do organisations that move from one stage to another often completely change their appearance with no easily definable direct relationship between the two stages.

#### FROM POTENTIAL TO ACTUAL

Crossing the great divide separating "might be" from "is" brings the organisation Spirit from the level of good idea to being there. Inevitably there comes the day when Spirit must function under the conditions of time and space. Business must be

done. Events and demands must be met that have never been faced before and there is no certainty of results or history to draw on. The style of the organisation at that point may be described as...

REACTIVE It seems sufficient to meet the challenge with action - almost any action will do, just keep things moving. Fortunately the organisation has a resource from its potential which it can draw from. Data and Information. These facts and figures which emerged out of its language now become critical. They might not be entirely right but they are all that stand between the organisation and chaos. Action is called for, perhaps without a clear understanding of the purpose, but things get done. Although this mode is understandable for the beginning, carried to the extreme it becomes crisis management. It's very easy to lose sight of what's ahead. Often there is pressure from stockholders to show results which if not controlled might lead to a sacrificing of the long term development for short term gain. Communication can become limited to "those who need to know" and others find themselves lost, blind or doing what they're told.

There must be a better way, and indeed that way may be found by fulfilling the potential held in the organisation's Language. Using the language of the organisation, it is possible to see the picture as a whole, as opposed to the fragments represented by the Data and Information. With this sense of the whole, some order can be restored above the chaotic act-react cycle. It becomes clearer who we are and what our business is so that the organisation may be...

RESPONSIVE to its own needs and the needs of its customer and market. Responsive organisations are a pleasure to do business with for they recognise what business they are in and are prepared to make their best effort to see your needs are met. They do what they do competently, and usually with a smile. While they may not always know what the words mean, they always know the language, and in that lies their strength. But when times change or the words have been used for so long that they have separated from their meaning, the situation becomes strained and the sense of competence, comfort and direction disappears.

At this stage it is not unusual for the organisation to devolve into a Reactive stage in which activity becomes its own end. The other possibility is that it draws on its potential of Understanding-- so that once again it can go behind the language to the meaning and logic of the enterprise. It can begin to think out its purpose and

direction as it faces the future. In short the organisation may transform and become...

PROACTIVE Proactive organisations have an analytic quality that lets them look beyond a particular time and see what's coming next. They scan their market environment and look within at how they are doing business and what the future might require. All of this critical reflective capacity is based on their understanding of the logic and rationale of business.

Proactive organisations do not stop being Responsive or Reactive. Indeed they do both, but appropriately so. Thus they respond to customers fully, not with just the right words but with some real sense of the logic behind those words. But more importantly, a proactive organisation may decide to neither respond nor react when it becomes apparent, on the basis of their Understanding, that the problem at hand is neither a matter of the words people are using, nor the data, but of rather something deeper.

Proactive organisations do very well. Their capacity for self criticism and environmental assessment enables them to keep on top of things. What they do superbly is identify and solve problems based on their Understanding of how things work. Concentration on problem solving and limitations of their own Understanding can bring them to crisis.

Understanding was built on certain assumptions about the environment in which the Vision operated. When that environment changes in a profound way, the logic will be less and less effective. Its own thought form becomes a prison that limits solutions by certain assumptions. Often these assumptions are not even conscious ones, and no one even raises the possibility that they do not fit. They play by old rules not realising that it's a new game. Relying on their old problem solving mode, they don't grasp the fact that the "problem" lies neither inside or outside, but in the Understanding, the very mechanism used to define problems as problems.

This constant recurrence of problems in newforms that were thought to be "solved" can lead to frustration and pure reactivity, action for the sake of action's sake. The other alternative is to reconnect with the Vision's potential and to actualise what may be lying dormant in the Vision, thereby becoming....

INTER-ACTIVE The Inter-active organisation is Vision based, and functions as a whole. It sees itself as an organic whole and not a sum of its parts. The working model of the Proactive organisation is mechanical while that of the Inter-

active is biological. No part can be changed without affecting all the rest. The capacity of Vision to encompass a total view of its environment and to see all things in a coherent picture serves the Inter-active organisation as it melds with its environment, seeking new and more powerful ways to express itself. The world no longer becomes a threat, but simply becomes part of its context for operating. These organisations often take major new difficulties and turn them into challenging opportunities.

In day to day affairs these organisations may appear like many other "lower" energy types because they also react, respond and plan for the future. But they have a reserve that the others have not actualised. They have superb flexibility coupled with a profound sense of self and openness to the world. They can deal with "raplexity", the rapidly changing and ever complexifying world of today. For all their adaptability they are still form driven and form based. Everything that they eventually do comes back to some form or structure to give it substance. However the day may be coming where change happens so rapidly and is so complex that form, as such, no longer has much meaning and therefore organisations must operate beyond form and structure. Here we reach the last part of our Spirit journey and transform to become an...

INSPIRED ORGANISATION The potential for the Inspired Organisation is given by the Out of the Depths experience with which the organisation began. Just as the idea came out of nowhere as an inspiration, so the organisation responds freely and spontaneously to its situation with only minor regard for the purity of the existing form. Hierarchy disappears and in its place people see themselves playing a necessary, but no more important role than anyone else. Literally all parts can be the "center" or focus of the organisation at any given time. Creativity comes from any corner and the energy seems to flow in a very fluid and dynamic way. We have all participated in this kind of organisation, albeit for short durations. Sometimes when a crisis hits or there is an opportunity that demands total participation by everyone we enter what has been called a "flowstate" or a period of peak performance. At these rare opportunities we actually experience that oneness and creative unity. A soaring sense of purpose and energy happens and we seem to transcend all the barriers that keep the organisation from achieving greatness. Such experiences have their own rewards and later become valuable resources for the future as they become part of the Mythology of the company.

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