Righting the Enterprise

...a Primer for Organizing or Reorganizing the Right Way!

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"We trained hard, but it seemed that every time we were beginning to form up into teams, we would be reorganized. I was to learn later in life that we tend to meet any new situation by reorganizing; and a wonderful method it can be for creating the illusion of progress while producing confusion, inefficiency, and demoralization."

. . . Gaius Petronius Arbiter, Roman Satirist, 210 BC.

While likely a false citation, it is at least known to have been said much later by Charlton Ogburn, Jr. (1911-1998).

It is not important who first uttered this cogent thought. Re/organization need not be an elusive process. From this book, you will learn how to organize your enterprise (entire business, division, department, group or team) the right way whether you are starting up (forming a new company, department, division) or fixing the current mess you find yourself in.

Danny Langdon
Originator of the Language of Work Model™
Business Consultant, 2014

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A Book for Management

This book was written especially to reach management at all levels of an enterprise. It will introduce you to a way of organizing or re/organizing work so that it can be more efficient and effective. It can show you a systematic approach that has been proven to work well and can work for you and your enterprise, no matter what level of work you are currently managing. The book is written with just enough detail to demonstrate the importance and value of a new way of organizing and aligning work. Its application should result in a well-honed organization in which everyone understands better what they and others do for the value of your customers and clients. A companion book to this one has the details that you needn't bother with at this time, but you may ultimately want others to read so as to help facilitate the re/org. This book is free, but its value to you and the enterprise will be huge.

Do let us know what you think!

Danny and Kathleen Langdon

Words of Thanks

I want to thank several people for their generous time and thoughts in completing this book. First, my partner in life and business for her contributions, support, and ideas on assuring that this book was relevant to executives and managers. Special thanks for the contributions of our fellow author, Johnilee Whiteside, and our copy editor, Roby Blecker.

Finally thanks to several executives and managers representative of those for whom we wrote the book, including Jay Chance, Senior Manager and 25 year veteran in the aerospace industry, Scott Thomson, Andy Tiao, Consolidated Edison, and Steve Rovin, Northeast Utilities. Their ideas and suggestions were very instrumental in keeping the book centered on your needs and circumstances.

Danny Langdon

Preface

While we were writing this book, we often had conversations with a wide range of friends, colleagues and clients, who often inquired about the subject of the book. As soon as we revealed the working title and basic content, the universal response was a not-so-unexpected, "Boy! Could my current (or former) company or department use this kind of systematic approach to re/organization!" Nearly everyone thinks businesses could be run better; they also agree that re/organizations are rarely done well. While we have helped facilitate several re/organizations for our many clients, our personal experience of having been re/organized several times in wrong ways prompted us to write this book on how to re/organize (finally) the right way.

Danny and Kathleen Langdon

Look for the Enhanced Edition:

Facilitator's Guide for Righting the Enterprise

There are two versions of this e-book. The one you are reading is a free version designed to reach as many readers as possible, especially at the executive and managerial levels. The other version contains the content of the first version, along with samples of actual business unit, core process, job and work group models. It also details how and when each model is developed. Last, it includes both several useful case studies based on actual re/orgs we have facilitated and a number of modeling aids we have developed and used over the years in facilitating enterprise engagements. Among the job aids is the highly successful "10-Minute Teach" we use during facilitation sessions to introduce the Language of Work ModelTM.

The cost of the facilitator version is $79.95 and it may be ordered online at www.performanceinternational.com/facilitator-guide-for-righting-the-enterprise.

Other Books by the Authors

Langdon, Danny G. (1995), *The New Language of Work.* Amherst, MA: HRD Press.

Langdon, Danny G. (2000). *Aligning performance: Improving people, systems and organizations.* San Francisco, CA: Jossey-Bass/Pheiffer Publishers.

Langdon, Danny G., Kathleen Whiteside, and Monica McKenna. (1999). *Interventions Resource Guide: 50 Performance Improvement Tools.* San Francisco, CA: Jossey-Bass/Pheiffer Publishers.

Why a Free E-Book: Grateful Words from the Originator of the Language of Work ModelTM

After devoting nearly 50 years to the field of Performance Technology and achieving everything I set out to do, I especially wanted to give something back. Besides treasuring the many professional colleagues I've met, exchanged ideas with and been influenced by, I am especially grateful to the many, many executives, managers, job holders, and support personnel who helped me and my partner in life and business, Kathleen, hone and prove the many uses of the Language of Work ModelTM. In grateful appreciation, I am thus giving this, what is likely my last book, absolutely free to anyone who wants to read it. And I ask that each of you "free-it-forward" to anyone you think would benefit. You may duplicate and send electronically or in print, or tell others to access a copy at:

www.performanceinternational.com/righting-the-enterprise-free-ebook

Thank you for reading this book, and I wish for you a truly well-organized (and fun) enterprise experience. I've learned that it's a lot more fun to work when you are part of a truly healthy enterprise, and I wish this for each and every one of you who reads and uses this book.

Best Regards,

Danny Langdon
January 2014

Chapter 1: What We Think We Know About Re/Organization and Why It Is Likely Wrong

PRELUDE

Within the context of the need for an enterprise to re/organize, we begin by dispelling a number of myths about how, and who is best suited, to organize or re/organize an enterprise. This leads then to the introduction of the more pragmatic and effective systematic re/org process that is the centerpiece of this book.

We begin with questions:

How many times have you been re/organized? What was the impact on the enterprise? Was it positive or negative?

If you have been re/organized several times you are likely to be working for an organization that has never been properly aligned to achieve its optimal performance level. This is typical of organizations that have re/organized five or more times in a ten-year period. Such businesses keep searching for the right organizational structure, but never quite achieve it; they fumble along doing business as usual. Sure, things get done; people come and go. Managers climb the organizational ladder and want to do things their way; outside executives are hired to do things a different way. Consultants are engaged with re/org methodologies that often don't turn out to be as good as claimed. Cookie-cutter solutions are tried at great cost (e.g., the "Shared Services" silver bullet). Old ways of doing things become legacy systems that are difficult, if not impossible, to change or eliminate. And all this contributes to a circular attempt at getting work organized the right way.

How do we "Right the Enterprise" in a way that makes sense to everyone and achieves—consistently and efficiently—the goals of the organization? One that works smoothly and can make seamless changes? One we all can enjoy working for?

As we neared the completion of writing this book, on October 15, 2013, a long-time professional colleague wrote an insightful, unsolicited summary concerning the recent re/organization he had experienced following his company's merger with another company. That summary captures rather well the feeling of most people when it comes to experiencing re/organization. He wrote:

We are deep in the depression of merger blues with changes occurring routinely. From my perspective, the changes are primarily good for the corporation's bottom line, the Sr. Officer's bonuses, and possibly the shareholders. I see and feel very little compassion for the employees, hear what is just lip service, and believe those who can will look for greener pastures and those who can't (or won't) will just hang around in a state of apathy waiting to see what is going to happen next. In other words, if you're at the top of the company, everything is going according to plan. For everyone else, at least all of the non-represented employees, it's just another poorly executed merger and reorganization."

Much of the cyclical, inefficient and poor re/organization behavior, such as reflected in the above commentary, is not surprising. Companies grow in leaps and bounds, adding individuals to get urgent work done rather than to execute well-defined, interlinking processes that best serve the customer. Groups and teams are mixed and matched to achieve what seems like, in someone's opinion, the best way to do things.

This piecemeal approach is somewhat surprising because it is generally accurate to say that many of today's enterprises are replete with well-defined processes. These processes often come from so-called "re-engineering" or "Lean" methodologies. You'd think that the enterprises which use them would therefore be pretty well organized. But even these well-thought-out processes—perhaps created in too much detail—usually struggle to be translated operationally into meaningful actions by individual job holders, teams and an appropriate management structure.

Still other businesses, which may not have defined their processes so succinctly, seek to achieve their ends with well-meaning people hired to execute the work in a climate of constant and recurring problems and inefficiencies. Goals may be achieved, but they are accomplished at minimal levels of efficiency, with wasted money, and by unhappy employees. Compound this with the introduction of new technology and/or of needed cultural changes, and the stage is set for new chaos. Re/organization and the introduction of new technologies can and often do waste time and resources, generating frustration that reduces productivity. Finally, we don't need to overemphasize the problems that mergers and acquisitions present: clashing cultures, different methods and systems of doing the same things, and employees wondering where they fit in the new organization.

There has to be a better way to re/organize—or initially organize an enterprise from its very inception. Everyone with an enterprise—company, division, department or team—could benefit from a well-understood, systematic methodology for re/organizing work. If there is a common way to look at and define work, the entire enterprise can come together to organize it quickly the right way (i.e., efficiently and effectively). Then the enterprise can be tweaked, instead of constantly re/organized, when technology and other changes are deemed necessary.

As consultants to many businesses, we have repeatedly experienced executives and managers—to the angst of workers—struggling to get organized the right way. After all, almost every re/org is done solely by the executives and managers, usually without rank-and-file involvement. And while many executives may employ elaborate process reengineering or Lean Manufacturing methodologies, they mistakenly think this analysis alone will produce the re/org they need. However, these undertakings often show that the detailed information could not be translated into operational use by individual workers and teams. While using these analytic techniques is highly desirable and at times necessary, they typically miss the work definition that translates into the best organizational and individual/team performance structure. Instead, the result of the usual re/organization is a kind of "organizational paralysis." Because these attempts at re/org do not involve all of those affected by such changes, they are not readily accepted. Those affected don't readily buy into the change, no matter how much of a change management program is employed. That is because change management is often seen and approached as an add-on to process and organizational change, rather than being an integral part of the very definition, alignment and implementation of work changes.

Recognizing that businesses do not generally know how to organize or re/organize enterprises efficiently or effectively, we will introduce a very systematic, easy-to-understand and utilize Re/OrgSystem based on what will be identified as the Language of Work Model™. You will find that this systems approach to re/organization really works because it clearly delineates and aligns all the various levels of work, from top to bottom in the company, and reveals how work should best be managed and facilitated. And, as an added and important bonus, the system will more easily allow you to make the ongoing changes that are inevitable in today's rapidly changing business environments.

Let's Be Honest About What You Really Know or Don't Know About Re/Organization

If you think you really know how to re/organize your company or your own team or department, chances are good that you don't.

We realize that is a brash statement to start with. We all want to believe we know what we would do if only we were in charge. Our logic should be sufficient to improve what presently exists. It can't be really that hard to find a better way to do things, we think. We have the good intentions, the skills and knowledge needed, and the real influence an individual (or even a well-selected group of people) have to re/organize a company. A proven process is needed; so is the involvement of as many people affected by the re/org as possible. This is not said in any way to discount anyone's good intentions, but rather to recognize that re/organization is a science, not an intuitive guessing game.

Lest you feel alone in lacking the skills for re/organizing, know that we, who have helped many companies re/organize, are not depending upon our personal insight, our intuition or even our prior experience, to make re/organization efforts effective. Rather, we depend on the system we use. There is a logical sequence based on an alignment of work elements—what we might simply call a *Re/OrgSystem*—to organize a company, division, department, work group or team for optimum achievement of desired results. It's a way for everyone involved in the enterprise to understand the work and how to align and manage that work better and together.

The Re/OrgSystem will be the focus in this book. The system is based on a scientific approach, known as Performance Technology, that has been evolving since the early 1960s. The specific approach emanating from that technology, known as the Language of Work Model(tm), was developed by Danny Langdon—one of the early pioneers in the technology—in 1993. Re/Org is a system of work understanding, definition and application proven through successful implementations and validated in many different kinds of enterprises. When added to one's best intentions, this Re/OrgSystem will ensure that your re/organization is the best that it can be. In addition, it can be altered slightly on an ongoing basis to respond to the inevitable changes as time passes.

Re/organizations often fail due to the idea that details should be kept secret from all but a select few employees. This secrecy has unfortunate results: The rumor mill goes into overdrive; whispers in halls repeat old, discarded possibilities; productivity goes down; resumes go out; the organization becomes much less stable than it was at the outset. In addition, employees excluded from the process may feel not only that the changes are being "foisted" on them, but also may strongly resist the new structure and procedures. A

scientific approach—a process emphasizing the work to be done and including the large-scale, meaningful involvement of employees at all levels—can build buy-in and a successful outcome into the re/organization from the very beginning.

We do not suggest this wider involvement of the workforce lightly. Rather, we recognize that a successful re/org takes the contribution of almost everyone's organizational knowledge. After all, they are the ones who know the most about the present work, and they are the ones who will have to make the changes. They are also really the ones who have good ideas for making things better, and their acceptance and ownership of the changes will greatly ease implementation. In our experience, we've repeatedly seen that the workforce has the answers; they just don't know how to formulate the questions and express their solutions. Nor do they have a workable platform of work definition to clearly reveal their knowledge and solutions. They need a systematic re/org process and facilitators with a proven methodology to help define and draw out the work knowledge and the solutions inside them. Then, and only then, in the structure of a scientific matrix, can they contribute their understanding of the work and their ideas of how to make it better, thereby making a commitment to the initial and future success of the project.

Historically, management feared that if employees knew they were going to be re/organized, they would sabotage the effort . . . and/or attempt to protect their own turf. The methodology we describe here prevents the majority of that phenomenon, because the nature of the work is made so clear that change is something for which employees can clearly see the benefit. Indeed, employees embrace this approach in large part because they have been asked to articulate what they know, allowing them to develop a shared and clear understanding of the work and of the need for change. And because they are making significant contributions, they can buy into what they have agreed to change for the better.

One additional assumption needs to be recognized before we get into the process of how to re/organize in a systematic and scientific way.

Re/organizations surely need the insight, leadership, and sponsorship of executives and managers who best know their organizational goals. When their insight is married to the recognition that others can help them determine how to achieve the goals, then everyone is prepared, within a systematic process, to get there together. Commitment to changes emerges clearly. Executives will retain their roles of providing sponsorship, commitment and a guarded level of participation. They will continue to set the goals for the re/org, sponsor strategic changes, and establish the expected financial goals that should result. But—and it is a big but—there is one role that they need to surrender to achieve a better way of re/organizing an enterprise.

The activity that executives have long held as their sole prerogative is determining at the outset the actual organizational structure—that is, determining where the boxes on the org chart go. In the method we introduce, drawing the org chart is nearly the last stage in the systems process, not one of the first steps. Executives must wait until core processes have been defined and accepted and until the jobs needed to accomplish these core activities have been identified. They need to see how these jobs can be organized into functional teams or other work groups before drawing charts and filling spots. As noted, the executives will contribute operational philosophy and provide what we will describe

here as the "work support" in the form of various kinds of interventions that need to be in place to get work done. Their role as leaders and facilitators will be paramount to the systems approach to re/organization. Without their role, the re/organization will fail. But, above all, executives are not to be dictatorial; they must be willing leaders, supporters, champions and advocates for change in a collaborative way that makes people feel valued, included and accepted as an integral part of the re/org process.

Interestingly enough, of all the ingredients necessary to achieve an effective re/organization, personal intuition is rarely important. Personal experience in your current organization or from another organization is only your experience and not necessarily any more valuable than the experience of others. Collective opinions, on the other hand, within the context of a systemic, scientifically proven approach, can and do work. And, as will be revealed here, a proven approach that is based on a model of work which everyone in the organization understands and uses is *the* key ingredient to aligning the work to the desired goals and strategies for success.

So what's to be done? Where do we start and what comes next? Who do we involve and how? What are the tasks of senior management, line management, and equally importantly, the workforce? Our beginning point is the recognition, acceptance and demystifying of the current causes and practices involved in re/organization, lest we repeat earlier failures while employing a more workable systems approach. Managers and executives desiring the most successful possible re/organization must examine and eliminate their personal myths and biases about how to re/organize and replace them with a more scientific approach. Our goal is to involve as many people as necessary to ensure broad understanding and acceptance of the re/organization.

What Usually Drives an Enterprise To Re/Organize

Enterprises re/organize for a variety of reasons, some good, some not so good. For example, technological innovations bring about the need to do things in a different way, involving new processes, tools, jobs and skills. Or perhaps there is a compelling reason to re/organize based on the need to survive—such as changes in market conditions, falling profitability, and so on. These are good reasons. Other times it's because someone new is in charge and decides he or she has a better way of doing things or wants to implement another strategy. Perhaps there is malaise, boredom or deadwood in the C-suite . . . a bad reason for re/organization that tries to pass itself off as a good one. Before we get into the meat of describing how to organize or re/organize no matter the reason, let's review the more common drivers leading to a perceived need to re/org and describe some of their associated difficulties. If a re/org is organizationally unnecessary, that, too, should be recognized.

Because the New Executive Wants To

An executive may well want to re/org based on a business need, but that choice can often appear more like Dad or Mom saying, "Because I said so." Since this is a prevalent excuse for re/organizing, it should be recognized and addressed—and, most importantly, a necessary re/org should be accomplished using a proven approach.

For a number of personal reasons, executives often feel that once they are named the top dog, they know more than anybody else how the business should function, so: "Surely," they think to themselves, "I can re/organize this company the way it should really operate!" Unfortunately, it's not like any of us grows up knowing what it's like to re/organize people and resources. It's not like family life provides any experience of re/organizing ("let's downsize that nagging sister"), so we might wonder where anyone learns how to re/organize the right way.

When an executive has a gut feeling that re/organization is needed, she or he usually begins by moving people and departments around on paper. That old adage that many a company was organized on the back of a napkin isn't far from reality. Changing the org chart is, after all, the most expedient method of re/organizing. The problem is that the napkin approach has not proven to be consistently effective as a method of change. Practically every executive gets their re/org experience from a re/org they personally experienced under some other executive. Others may have tried it themselves as the head of a division or department at some lower level on the company ladder. Now in charge of an entire enterprise, they repeat what they have seen or tried; they may even hire a consultant for additional help. These efforts usually result in lots of movement, but not much added effectiveness.

Time and again enterprises have suffered from these kinds of major upheavals. This kind of re/organization confuses people and usually does not improve processes, jobs or teams, or the culture in any fundamental way. Rather, it results in new alliances being sought, people becoming uneasy waiting for the next shoe to drop or hiding out in fear of being downsized or shifted to some other unit. The versions of hiding in the organization are many: not suggesting improvements; feeding the rumor mills to disparage the value of particular individuals; or departments feeling others are overhead, fluff or the darling of a particular executive; and on and on. None of these negative expressions is a sign of a healthy organization, one that is operating the way it should be.

As an executive, be cautious about your personal skills at re/organization. The wiser executive will be the one who adheres to a defined, proven process of re/organization, one driven by their exemplary leadership as the chief executive officer. Effective re/organization is really not so much a result of the executive's direct organizational skill and knowledge, but rather of leadership with clear ideas and goals, dedicated participation by employees, ongoing support and a demonstrated belief that the re/org process being employed will work if everyone cooperates and follows it.

> **Exemplary Case Study**: *Life Insurance* (See Appendix,)
> www.performanceinternational.com/life-insurance-case-study/

Process Innovation/Changes and Associated Change Management

Today innovations in technology often trigger the need for organizational change. Keeping up with competition, or jumping ahead, is a fact of business survival. End-to-end client-centered processes (e.g., SAP, Oracle, etc.) that serve customers better usually demand that the organizations and people who manage them also be re/organized. Unfortunately, such re/orgs typically take much more effort, time and money than expected.

A technology re/org commonly causes a struggle for acceptance at the individual and team level, or a reversion to legacy systems. Such behavior cannot be tolerated by the agile company or department that needs to change. If not done carefully, the process of change itself causes unintended implementation problems and can even destroy a department or an entire business. A re/org system that better tolerates such process changes, integrates well with those changes and is an efficient use of time and money, can prevent such negative reactions. One such system is the Re/OrgSystem that will be presented in later chapters.

Another issue, related to technology change and re/org, is worth noting here before moving on to the other enterprise needs that drive re/organization.

Organizational change costs the business money not only in the capital investment in new technology, but in the disruption of normal business practices, and in employee learning curve time for new procedures. Therefore, organizational change must be managed.

> **Note on Availability of Case Studies:**
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> All case studies are from actual enterprise re/orgs by the authors using the Language of Work Model. The cases, where needed, have been changed to maintain confidentiality. The entire set of case studies are found in Facilitator's Guide to this e-book and are also available from the authors website at:
> www.performanceinternational.com/download-case-studies/

Most often those designated to run the change in process management—be they from within or hired from without—make a self-defeating mistake: the very means they use to manage the change—often referred to as Change Manage-ment—is an add-on to the overall process change, rather than an integral component of the re/org.

The distinction is a rather subtle one, so let's make it clearer. Simply adding a "Change Management" program to a process or re/org change is self-defeating. Change management must be inherent in re/organizations so that employees can embrace and understand the changes as they occur during analysis and definition of the work. Don't put your enterprise into the position of having to sell change; let acceptance occur as part of making the changes due to widespread participation. In other words, when those who must change are the ones who help decide what is to be changed and how, understanding becomes inevitable. The workforce buys into the changes even as they occur. Later, we shall see how this can be accomplished with relative ease.

> **Exemplary Case Study***: Major Utility*
> www.performanceinternational.com/downloads/major-utility-case-study/

Needed Change in Enterprise Strategy

When certain key aspects of the enterprise, or even the entire enterprise, are not going the way they should, a change in direction is dictated. For instance, perhaps markets reached before have diminished or there are new markets to be captured. Perhaps enterprise sales can be enhanced. Perhaps, through growth, the enterprise has lost much of its direct contact with its customer base, and the customers now feel ignored. A new strategy would improve customer contact and follow-up. No matter how good the new or revised strategy may be, the enterprise needs to operationalize the means to get there. It must re/organize to serve the new direction for existing operations and resources.

Exemplary Case Study*: Defense Contractor*
www.performanceinternational.com/defense-contractor-case-study/

Need To Improve the Culture

Organizations can certainly die from within. Death may not be caused by poorly designed and implemented work processes, or even by ill-defined and executed jobs. Rather, people are in the wrong positions, managers don't inspire or teams no longer work well together. Teams sharing core processes among them no longer know how to interrelate and support one another. One team's poor or untimely output is another team's nightmare.

Perhaps the culture is not client-centered enough. Perhaps true collaboration doesn't exist, and working within silos is the norm, to the detriment of other groups. Perhaps morale is poor, and people don't feel valued. In essence, the enterprise doesn't adequately support people or work. The company needs a way to analyze the culture (which is shorthand for "the way we do things around here") in order to support work execution and create the optimum environment in which people and processes can achieve the best possible performance.

Exemplary Case Study*: College Student-Centric Services*
www.performanceinternational.com/student-centric-college-services-case-study/

Mergers and Acquisitions

Perhaps no other need leading to re/organization is more fraught with upheaval and loaded with potential danger than an impending merger or acquisition. Not only is life going to change, but the clash of cultures and "someone must go" mentality affects everyone from executive to part-timer. A process to smooth the transition is critical economically, as well as to ensure the success of immediate and future work. It lays the foundation for the evolution, if not the revolution, leading to the new culture.

By their very nature, mergers and acquisitions suggest changes that are twice, if not three times, more complex than the internal re/org of the typical enterprise. Not only will each company be trying to realign itself through absorbing, redefining, and/or combining or deleting resources and processes, but the often- conflicting cultures will not simply morph into a new, combined culture. Consider, for example, the merger of Compaq and HP. One was a cowboy culture, while the other had a consensus mentality. Either they could have re/organized together to benefit from the advantages each had, or the result could have been chaos. Fortunately, they planned for and successfully executed a new best way of doing things.

Exemplary Case Study*: Government*
www.performanceinternational.com/government-case-study/

Cutbacks

Cutbacks occur for a variety of well-founded reasons, not the least of which is the actual survival of the enterprise. Shrinking markets, out-of-date products or services, less than efficient operation, and many other causes necessitate cutbacks. Determining how those cutbacks will occur, without pure guesswork or cronyism, is key to successful re/organization with as little disruption as possible.

When layoffs are necessary, those in the top tiers may not know the comparative value of individual contributors in the lower levels, and those below the top tiers rarely understand the reasons for the layoffs. Fears for their job security abound. It must be possible to re/org with a minimum of negative impact on productivity, in ways ensuring that those leaving and those left behind understand the reasons and accept them.

Exemplary Case Study*: AQUA Company* (See Appendix)
www.performanceinternational.com/aqua-company-case-study/

Growth

When a business is just beginning and filled with opportunity, the joy of being in a start-up creates exhilaration. The challenge is to maintain that feeling as the company flourishes. And a company responding to explosive growth often grows amorphously, slapping into place jobs and personnel to meet immediate demands, without reference to the longer-term shape of the enterprise. When the enterprise has grown quickly, working with others is not as personal, getting management's attention is less possible, and the feeling of being a part of a team is lessened. It must be possible to involve existing employees in a re/org due to growth so that they don't feel left out of the enterprise they cherish so much.

Exemplary Case Study to Review*: Nursing Services*
www.performanceinternational.com/nursing-services-case-study/

Problems Abound

Problems always exist in companies. The production line does not produce enough product; the sales force sells more (or less) than can be produced; the distribution system is weak; employees are not careful enough in their work. As consultants, we have heard it all. When confronted by a problem, executives sometimes decide that a management shake-up, AKA a re/org, is the answer. This decision must be carefully reviewed; otherwise, re/organizing for the wrong reasons will result in more harm than good. The major reason to re/organize is to eliminate obstacles and enhance productivity, as well as to continuously work on and resolve problems. You will learn here that re/organizing systematically and systemically can fulfill multiple organizational needs in terms of aligned work execution, supporting culture *and* continuous improvement.

Persistent problems soon contribute to the feeling that "nothing works around here." Indeed, people stop exposing problems; they simply mask them. Employees don't suggest solutions because they feel no one will listen. While a re/org might seem to eliminate this inertia, it is not wise to use a re/org to solve problems. Instead, it should be the function of a continuous improvement process within an already well-organized company or department to allow continuous changes to occur.

Exemplary Case Study*: Hi Tech*
www.performanceinternational.com/hi-tech-case-study/

New Enterprise

Planning a new enterprise is a fascinating opportunity to develop an effective organizational system. While those planning the new business have usually done due diligence in developing a concept, strategy formulating strategy and securing financing, it

is rare to see consideration given to operational aspects of the new business. These include, but are not limited to, such things as how these core processes will work, what jobs and teams are required, who will best fill the jobs, what organizational structure needs to be built and, especially, what organizational support must be developed. Certainly each of these must be recognized, in terms of both immediate and long-term costs.

Having defined many a new enterprise, including those ultimately funded or not, we are accustomed to the expression of surprise from entrepreneurs who believe they have thought out their proposed business well, but are stunned at seeing the new requirements when the business is modeled in operational terms.

Exemplary Case Study*: New Enterprise*
www.performanceinternational.com/new-enterprise-case-study/

Chapter 2: What Should a Re/Org Achieve When Done the Right Way?

Re/organization has often been limited to changes in the organization chart, making improvements or implementing solutions to problems. This chapter will emphasize the added value of achieving transparency and assuring continuous improvement as part of any re/org.

The Paramount Goals of a Re/Org Should Be Work Alignment, Transparency, and Continuous Improvement

The paramount reason to re/organize is to assure that everything in the enterprise works together—is in alignment. You want the new structure to achieve business goals using defined strategies, by people who explicitly know their responsibilities and are well-managed or self-driven. Anything less will be a waste of time and resources and is unlikely to maximize efficiency or effectiveness, let alone both.

You might wonder why we regularly use both "re/organize" and "organize" at the same time in the form of "re/organize." It is our contention that if the enterprise were organized correctly in the first place, re/organizing would not be needed except for an occasional tweaking.

Organizing the right way from the start, especially in the case of a new enterprise, is rare. Instead, businesses tend to start and grow spontaneously and in a highly reactive mode.

Once established, the enterprise finds that new technology or other business needs emerge, demanding that processes and organization change. More production is needed, so additional resources are added; nobody seems to be managing this or that function, so someone is put in charge. A new product line or support task is added—not necessarily planned in relation to already existing functions. The number of employees expands, and everyone's feeling of knowing what's going on or being valued diminishes. Perks, processes or people are eliminated without regard to their impact on those left in place. Expectations grow, and tensions mount. Skilled, highly experienced people leave; they are replaced with new, perhaps less experienced ones, accustomed to different, possibly ill-fitting procedures, costing productivity and client satisfaction. The worker pool ages, and their experience and knowledge are not captured to assure ongoing success. Management gets distant. The culture begins to "smell." If the business had been well-organized from the beginning, it would have had the resilience to accommodate major and minor changes. That's the "org" part. Re/org tries to solve the problems created after an organization has moved from start-up, or has been in existence for a long period of time, experiencing problems similar to those mentioned above. Or a merger, acquisition or other major change occurs. Next thing you know, it's time to re/organize; tweaks will not work, because there are simply too many problems to solve.

Being organized the right way meets three needs:

Alignment

T*ransparency*

Continuous Improvement

These three needs can be achieved using a single, repeatable, systematic process in which the goals are considered equal and consistent with one another. Otherwise, they cause separately programmed approaches and are weakened because the organization is approached in piecemeal fashion.

This chapter is a succinct introduction to alignment, transparency, and continuous improvement as they relate to any enterprise. The remaining chapters will describe how these paramount re/organization needs can be achieved together.

Alignment

Traditionally, alignment has referred to making sure that goals, strategies and tactics build on one another. This is obviously necessary to overall enterprise success. But an additional kind of alignment is needed as well. Alignment, as used here, relates much more to work execution within the organization. At its very core, it is the alignment of everything that can be described as the work. The alignment includes coordinating:

WHAT the business is/wants to be as an enterprise; with

HOW the work is or will be done; with

WHO is performing or will perform the work;
in a matrix of how the workers are or will be **ORGANIZED** to work together and be managed/ facilitated, and

SUPPORTED by a "healthy culture" in which the work can be optimized.

The first four (WHAT, HOW, WHO, ORGANIZATION) will be known as the "levels" of work (according to the Language of Work Model™); the fifth (ORGANIZATIONAL SUPPORT) is a critical "layer" of work as it relates to re/organization. All levels and the layer must be aligned with one another. The only way to achieve this is with a model of work that defines work in a similar way and makes that work understandable to everyone in the enterprise. Additionally, with the same model of work being used, transparency will naturally exist, and change and continuous improvement will regularly, systematically and systemically occur.

Transparency

The second reason to get organized the right way is the need for transparency. Transparency is a relatively new concept for business, because business has traditionally been viewed as a hierarchical structure in which the executives supposedly know everything and the workers just do as they're told! Such a view still persists in some measure, but it is gradually changing, through the introduction of such concepts as teamwork, Six Sigma, participative management, certain innovations in computer "dashboard software" to plan and track work, and the like.

Transparency refers to the extent that everyone unambiguously understands what is going on in the business *operationally* relative to business intent. At the lowest rank, transparency tells you how well your department is doing and what your specific contribution is. Transparency tells the various work groups their exact relationship and how their work output is another's work input. Transparency expands to your knowing how well everything in the business is being done, and how you can contribute to making anything else in the company work better. Sometimes not even the smallest of businesses today can boast such transparency. Instead, the important stuff is known only by those who are in power positions, such as executives, managers, specialists and team leaders. And even when those in the work force in general know their own arena fairly well, they usually don't know what others know. In the truly transparent business, everyone knows what everyone else knows, and anyone can help to make the business better.

It is not just protection of power bases that causes the lack of true transparency. There is often also a lack of transparency because, to date, there hasn't been a structured way for everyone to look at work communally, a common model of work that defines the

business operationally (at every level and layer), allowing everyone to understand what is going on and identify problems and solutions together.

Continuous Improvement

Finally, in achieving the ultimately well-organized enterprise, continuous improvement has recently been recognized as a necessity. How to achieve that continuous improvement has mostly taken the form of add-on institutionalized programs (e.g., Total Quality Program Initiatives, Six Sigma) or programs such as process reengineering and Lean Manufacturing. As useful as these have proven themselves, they are not integrated with alignment and transparency as a permanent part of the ongoing work system.

The three principles just described for righting the enterprise are not separate functions in a well-run enterprise. Rather, the three should be integrated and ongoing. To do so will require a method that is an integrated extension of alignment and transparency.

The question to ask about getting organized (or re/organized) is simple:

"What can be done to attain alignment, transparency and continuous improvement so that the means for getting organized and doing work encompasses all three?"

Successfully answering this question will mean that numerous full-blown, disruptive re/organizations are rarely needed again. The enterprise will be continuously organized for maximum effectiveness and efficiency.

Chapter 3: What Are the Essential Elements of a Systems Approach to Re/Organization?

A systematic, proven way to re/organize will assure success. Here you will be introduced to the essential elements that comprise a systems approach as prelude to the introduction of the Language of Work ModelTM.

Unless You Use a Systems Approach, the Re/Org Will Likely Fail.

To be effective—and to avoid the failures associated with the various ways of re/organizing detailed in Chapter 1—an effective re/org must use a systems approach. The essential elements of a systems approach incorporate the following:

A Systemic Process

A systemic process (methodology) employing a specific and optimum order of analysis is critical to effective re/organizing. The process systemically ties together the different elements of the work of the business. Once real clarity about work exists, objective decisions can be made regarding the organizational structure that will best enable the enterprise to succeed.

In broad terms, the process you are about to be introduced to is an alignment of the levels introduced in Chapter 2: WHAT, HOW, WHO, and ORGANIZATION, combined with the support layer, ORGANIZATIONAL SUPPORT, needed to create a healthy culture. This process, with the addition of executive sponsorship results in an organization well-designed to execute the work that achieves the desired enterprise goals.

This process allows the re/org to be explained and defended based on logic, rather than intuition or whim. It is devoid of politics and personal agendas. Employees have the information needed to accept the inevitable changes without emotion, trauma, drama or sabotage.

Continuous Improvement

The re/org process should incorporate a way for continuous improvement to happen. Doing re/orgs time after time after time disrupts any enterprise. However, if the process incorporates repeatable and regularly planned organizational learning, making needed changes continuous, then you have a very powerful tool for keeping your enterprise up-to-date. In other words, the re/org process should teach people not only how to re/organize, but also how to continue to make improvements based on that system.

Clarification of Work

The re/org process must be based on a definition or model that reflects, clarifies, and illuminates the work, both currently and in the future. The process should help to identify where the problems and opportunities for improvement are, while achieving agreement on priorities. Not surprisingly, re/organization is all about work. One of its by-products should be increased understanding by everyone in the enterprise of the exact nature of the goals, the jobs and the challenges required to accomplish these goals, and the ways in which executives can soundly support the work effort.

Broad Understanding

The systems process should ensure a deep understanding of the link between the organization's goals and the work that will accomplish those goals. This is to say that the process must be steeped in a behavioral, cause-and-effect relationship between what the enterprise wants to achieve and the tasks that will best accomplish those goals.

Employee Engagement

The process should capitalize on and channel employees' uncertainties and emotions, using them for productive, useful ends. To do so will require their direct and committed involvement in the re/org process, rather than passive involvement (such as regular updates or emails about the progress) that really means little at all. There is no room for a "my way or the highway" approach if an effective organization is the desired outcome.

Objectivity

The process should be objective to eliminate personal agendas and politics. Nothing negates the best re/organization more thoroughly than a process which allows those in power to meet their personal needs at great cost to others.

Employee Involvement

Employees should be involved in specific, guided ways that ensure their input is obtained, valued and acted upon. They need to describe the current and future work to identify means that will improve, support and implement the work.

Speed of Implementation

The process should take as little time as possible. Otherwise, the cost of the re/org may well negate its economic value, while causing disruptions to work and worker behavior. The process should therefore be quick and agile, with visible work outcomes and follow-up.

Chapter 4: Introducing the Re/OrgSystem: A Systems Approach to Re/Organization

Having identified the problems in re/organizing an enterprise, we introduce an effective, proven, systematic approach. Because we will define work at every level, every person will understand where the re/organization is headed. They can then effectively help organize the enterprise as well as identify the organizational support needed to make the work efficient and effective.

We Need a Common Way to View and Define Work, so that Everyone Can Agree on the Best Re/Organization

Once an enterprise has identified what it wants to *be* as a business, then the organization or re/organization of that enterprise is primarily all about work. As we identified in Chapter 2, the following series of questions needs to be answered or more accurately, modeled:

"**What** is the work?"

"**How** is the work to be executed?"

"**Who** will do the work?"

"What will the **organization** look like?"

and

"How will the enterprise **support** work through a positive and healthy culture?"

These five questions will be abbreviated here, in order, as:

WHAT

HOW

WHO

ORGANIZATION and

ORGANIZATIONAL SUPPORT

Each of the questions will be answered (modeled) in the above order because the answer to each forms the basis for those that follow. This is the procedure for obtaining alignment. The Re/OrgSystem, as we call it, will be described and illustrated through a sample re/organization the authors previously facilitated for a medium-sized enterprise.

The five-stage Re/OrgSystem will help the organization accept and optimize re/organization, rather than resisting hard-to-understand changes decided by the few.

You will come to see that one of the most striking virtues of this five-step system is that the tasks needed to accomplish each step can be completed in a reasonable time frame. Because the decision-making is based on clear, transparent models of work, consensus and adjustments are easy. The organization will not stop, stall or lurch into re/org after

re/org, but will smoothly flow toward maximum work execution, desired results and the best possible outcome.

The Re/OrgSystem

The Way to Alignment, Transparency and Continuous Improvement

The Re/OrgSystem is a logical path through the business that defines, describes, and models interrelated work to achieve desired business ends. The first four stages will be described in this chapter and the fifth in a subsequent chapter. A graphic representation of the system is shown here.

Addressing the *WHAT* of the Enterprise

Model: *The Business Unit*

The existence of any business depends on identifying the foundation the enterprise intends to rests on in its effort to achieve its goals. This is as true for a team, a department, and a division as it is for an entire company.

WHAT does the organization want to be and how will it distinguish itself, if desired, from others like it?

Many resources are available on goal-setting, determining vision/mission, developing strategic plans, determining the organization's driving force and competitive advantage, and other topics fundamental to the organization's identity. No one has crystallized this better perhaps than James Collins, in his book *From Good to Great* (2001). The book is based on solid research regarding what constitutes success in both the profit and the nonprofit worlds. He also addresses how to distinguish your business from the competition and become not just good, but great. It's highly recommended reading from

our point of view. There are others as well, and they will help you have a solid understanding of how to define what we label the "Strategy & Business Plans," the foundation of the organization or re/organization of any business unit. Typical input to a business includes, but is not limited to:

1. Valuation
2. Revenues
3. Cost enhancements
4. Assets/liabilities/equity
5. Market
6. Owner investments
7. Secure financing
8. Working capital

Listing business inputs is, of course, not sufficient for ensuring a well-defined organization, nor does the list ensure the alignment essential to achieving business ends. The real difficulty, usually missed by all but the most perspicacious of executives, is a specific operational understanding of how these business inputs will be *achieved*.

As the beginning element of the Re/OrgSystem, a business unit is an *operational* definition of WHAT the business is (now) or will be (in the future). It is what the executives (founders, partners, board or directors, owners, etc.) define as their operational understanding of the business at a high level. This includes what the business is to achieve as outputs and consequences, as well as how it works to achieve them organizationally (subject to later change). As with all the levels of work related to implementation and organization, we will be using the Language of Work Model™ to achieve our ends of defining operational work, establishing consensus and providing clarity for everyone in the enterprise—at this level especially by and for the senior management. We will detail the Language of Work Model™ shortly.

Business units are found in all sizes. In the past, we've used the analogy of American football to illustrate the levels of a business. Thus, in professional football, the *business unit* is the franchise; one of the several *core processes* is the playing of the game (others are sales, marketing, drafting, etc.); the *jobs* are the actual tasks of various players, coaches and support personnel; the *organization* (of teams and management) is represented by the offense, defense, special teams and how they are coached (managed); and, finally, the *organizational support* is all that the organization provides (e.g., from stadium to uniforms to compensation and such) to help everyone play the game in the best possible manner.

Large corporations—the size of a Microsoft or a General Motors, for instance—have many business units and an overarching major business unit. For small businesses, the line between business unit and core processes can merge. The important question here is not the business size (because they can all be defined the same way with lesser or greater levels of complexity), but what the business wants to do to achieve its intended ends. Once it has defined what it is (present business) and/or what it wants to be (future

business or desired state), it can then determine how—the core processes—it will achieve the what.

Business units, by the way, are normally defined by executives and other key personnel, who own and/or will be responsible for, overall business success. The definition, in this regard, is best done with a facilitator who uses as the means the Language of Work Model™ (see Chapter 6). Use of a facilitator obviates the need for executives to lead the effort and eliminates any tendencies they might have toward falling back on previously established policies or prejudices. When executives who may have clashed in the past have an opportunity to assert authority or defend territory during a re/org, the process may be fatally slowed or sidetracked. A facilitator provides the objectivity to speed a more neutral modelling process.

Addressing *HOW* Work Will Be Done

Model: *The Core Processes*

Business Process Reengineering has had more attention devoted to it in the last 15 to 20 years than any other business improvement methodology. Process Reengineering, Lean Manufacturing, BPR and ERP are common approaches used by many businesses to define core processes. Some have been quite successful; many have been marginally so. Even those that have been successful have usually been accomplished with much angst and cost hundreds of thousands, if not millions, of dollars, euros or yen.

While useful and much needed, nearly all such process change efforts have been shown to suffer from the same problems: lack of systematic attention to jobs and/or teams designed to implement the process changes; varying forms of isolation of affected employees from the analytic process (thereby imperiling acceptance); entirely too much detail for operational benefit; and/or inadequate or tacked-on change management.

Since HOW must be done, it is imperative to use means commensurate with those for the other levels of business, such as jobs, work groups and the business unit. Thus core processes must be modeled the same way as the business unit. In turn, when jobs are modeled, they must operationalize the core processes and show specifically where changes are needed. They must also provide sufficient data as to what and how the changes can be effected. We will discuss this further when defining jobs (and other levels and layers of work) using the Language of Work Model™.

Basically, the missing ingredient for organizing or re/organizing an enterprise has always been a way to define and align the core processes with an understanding of the business unit on the front end and on the back end with jobs and organization. Alignment is not achieved solely by carefully linking goals and objectives with well-defined strategies. Alignment can only be achieved by the use of a behavioral model that accurately reflects

how work is done in the business. This requires the Language of Work Model(tm), based on behavioral principles. We are going to describe, therefore, a very operational approach that naturally leads to work alignment.

How is the business going to accomplish what it wants to accomplish? How are the "ops" folks going to operationally define how they want things done, and will this be consistent with what the executives want?

Executives tend to understand the organization at the "business/finance" level. So long as re/orgs are conducted without a systematic process for integrating the WHAT of executive knowledge with the HOW of operations, the WHO of workers/jobs and the ORGANIZATION of teams, re/organization will fail, because successful alignment is critical.

Once we have successfully aligned the WHAT (the business unit level) with the HOW (the core processes level), we can then align individual jobs to these two levels so that they work in concert with one another.

Addressing the *WHO* of Work

Model: *The Jobs*

We have consistently found that individual employees know their own work well. However, intrinsically knowing the job and communicating it to others is not the same, especially when it comes to the information needed for re/organization. But because such information is crucial, businesses need a better way to define individual work—jobs—to align them to core processes. Current means like job descriptions will not suffice, nor does relying on the core processes (i.e., so called, "swim lanes") alone to communicate intended individual and team tasks (as is often the case in SAP installations, for example).

Individual jobs arise in most businesses in a generally haphazard manner. Businesses have identified work that must be accomplished, so they hire someone with what they believe is the right background, experience, personality and drive to do the work. Or they provide training in various forms to fill in the skills required in the execution of jobs. Job titles and so-called job descriptions often drive what is sought in hiring workers, along with judgment about perceived job requirements.

This is pretty much to say that jobs are filled without much real regard for the core processes they are to execute. Processes are defined one way—or not at all—and jobs are defined another. Thus there can be little real operational work alignment between core processes and jobs, just as between the business unit and core processes.

Consequently, an organization ends up with many workers who are confused in varying degrees as to the value of their work, unhappy with what they do, missing some of the skills needed or unable to identify and communicate with others how to make their jobs better fit with the overall enterprise. Even managers may not know exactly what their workers are or should be doing. Inefficiency abounds. Gossip and "politics" are rife. People who understand their work and how they fit into the enterprise's strategic mission have neither time nor patience for pettiness.

There is a way to better understand and improve your own work, and to make it function in operational alignment with core processes and the business unit. When this is done, managers are better able to manage those who work under them. This better way is called "job modeling," and it is a key element in organizing or re/organizing business.

Addressing the *ORGANIZATION* of Work

Model: *Teams, Management, and the Org Chart*

Just as jobs must be aligned with core processes, which must in turn be aligned with business units, teams must be aligned with the jobs, core processes and business unit as well. That requires an operational model of work, which, as we've said, we call the Language of Work Model™.

A team should be a group of jobs with a set of common outputs and consequences that are facilitated by its managers/team leaders. Teams, or work groups, in large part determine what the organizational structure will be.

Once the teams or work groups are defined, we can identify and further define the management positions they will need. As a last step, identifying and developing the organization chart would then be relatively easy, since we know precisely and have aligned the WHAT, HOW, WHO, and teams and management of ORGANIZATION. The org chart is best revealed and structured at the end of this step—not the beginning of the whole Re/OrgSystem, as is most often done in traditional re/organization.

Chapter summary:

You will note that each of the four stages above was defined in alignment with the others; using the same work model. All employees and managers thus come to clearly understand with others how the work is intended to flow and be organized and managed. Everyone uses a common view of work. The means a Language of Work Model(tm) clearly and perfectly aligns the work at each of the stages. As this is done, all those affected within the organization participate in a user-friendly, inclusive process, and the re/org can be accepted with as little disruption to ongoing operations as possible.

The Re/OrgSystem also helps achieve transparency in the enterprise. Everyone will know what the work is and who does it. Your work outputs will be someone else's work inputs, and your inputs will be from some else's outputs.

Finally, as to cost and time of transition, you will be pleased to know that the Re/OrgSystem won't take an inordinate amount of time, money or personnel to implement. The process incorporates change on the go, as an integral part of managing the transition to a new structure based on the needs of the work that has been modeled.

Note: The key to any and all definition of work at various levels is to move from the implicit (what we think we know about work) to the explicit (operational models of work) so that everyone understands the enterprise in terms of WHAT, HOW, WHO, ORGANIZATION, and SUPPORT. It is only in this way that re/organizing will achieve alignment, transparency and continuous improvement.

Chapter 5: A Re/Org Requires Alignment with Organizational Support

An often ignored re/org element is that of assuring that there exists a healthy culture within which work is executed. Culture should not be simply something that exists and is ignored. A healthy culture is critical to alignment with the various levels of work and must be attended to on a continuous basis. The Language of Work Organizational Support Matrix is introduced.

Re/Org Is Not Just about How the Work Is Organized and Who Manages It. What Is Needed To Support Getting the Work Done?

Addressing the Organizational Support

Model: *The Culture*

Finally we come to what may be, for many, a never-before- considered, newly realized aspect of organizing or re/organizing enterprises. It's the notion of organizing the culture of a business to support the expected work execution. We have called this attention to culture in other places as "Aligning the Work Support Layer with the Four Levels of Work Execution." Here we will simply refer to it as *organizational support*.

A successful re/org will not occur if we only concentrate on what work must be executed in an enterprise, which has been identified here as the work associated with the business unit, the core processes, the jobs and the organization (of teams [work groups] and management).

Understanding, improving and re/organizing for work execution is vital, since it most directly achieves the business goals, strategy, etc. It is critical to align the work perfectly from the business unit (WHAT) by way of well-defined and understood core processes (HOW), through individuals who do the jobs (WHO) and through the ORGANIZATION(teams and management). This alignment allows everyone to work together and be well-managed by those in charge.

However, think for a moment about competitive swimmers (in individual events, in relays or on a synchronized team). They need water quality that allows optimal performance: not too hot or too cold, not polluted. The Summer Olympics swimming events are always in the most technologically clean and constructed facilities, so as to make possible maximum performance. Just as great swimmers cannot perform well in polluted water, every business needs to operate in a healthy work environment. We describe this healthy environment as one which provides and ensures organizational support for work execution. Without a healthy work environment, lost productivity wastes time and resources, and much worker angst can occur.

A variety of organizational support factors must be accounted for to foster a healthy culture. Generally, these factors have been addressed in most companies in separate, random ways. For example:

Work Need	Organizational Support Intervention
How is the work defined for each person?	*Job Description*
How will job performance be evaluated?	*Performance Review Form*
How will client satisfaction be determined?	*Client Survey*
How will process be changed?	*Process Reengineering*
What are my benefits?	*Policies & Procedures Manual*
How do I improve myself?	*Training Programs*
How do I get introduced to the company?	*Orientation Program*
How do I relate to my boss?	*Management Practices*

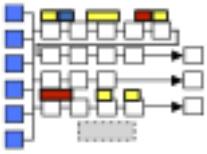
Organizational support is usually provided by the enterprise primarily as organizational interventions, or processes, or practices, or programs and so forth. We have previously identified nearly 120 different forms of organizational/work support. We will take a brief look at a few of these, by example, as part of the ways to operationalize and align work using the Language of Work Model(tm). An overview will suffice to explain why organizational support is so important as part of the Re/OrgSystem. We approach this by illustrating how organizational support influences each of the four levels of work execution.

Organizational Support for the Business Unit(s)

Can you imagine a business not having a well-thought-out mission/vision statement, strategic plan or set of goals and objectives? Imagine the impact their absence would have on work execution at the business unit level. Other needs at the business unit level include budgets, a decision/authority hierarchy, governances, and regulations. Businesses may measure success with such items as client feedback, public relations and business plans. Of course, all of these and others are important as they support or fail to support

the work of the business units. It is important to ask which elements of organizational support impact which aspects of work execution, and how. Not knowing the answers would potentially reduce efficiencies and effectiveness of work, as well as leaving unsettled what to measure and improve.

Organizational Support for Core Processes



Once the core processes have been identified, a business needs to ensure that those core processes will be planned, implemented and followed, while producing desired results. This involves determining the elements needed for the core processes to be optimally realized. These are elements such as capital equipment, raw materials, intellectual knowledge, the application of professional ethics and standards, automation, measurements and quality improvement of processes. An enterprise must know all the organizational support means that affect core processes and which of them are most critical to success.

Organizational Support for Jobs

Although they can suffer from the lack of consistent means and measurement of its cause and effect relation to work execution, organizational support needs at the job level are generally well-known. For example, a worker's performance review is a typical means of job-level organizational support in most enterprises. It is the organizational provision for assessing one's job performance and determining what is being done well or needs improvement. Performance reviews are often used as well to identify training needs, other performance improvement opportunities, compensation adjustments and future goal-setting. There is a direct cause-and-effect relationship that is easy to see here between work execution (doing the work) and organizational support (seeing that work is done well). Thus, when a manager performs an accurate job review and improves individual performance, this is a means of organizational support. Unfortunately, while performance reviews are provided, few of these are effective; indeed, they are often described as worthless by employees.

In this case, organizational support at the individual job level is provided, but the organization does not maximize its use. Incidentally, there are ways to make performance reviews much better using the model for defining job models being introduced in Chapter 6.

Another example of organizational support at the job level is the job description. Often the descriptions are not realistic and therefore are not helpful. Job descriptions should

reflect what the expected work execution is to be, and they should be good enough to support other means of organizational support, such as performance reviews. This need for accuracy applies to many organizational support means, relating not only within a given level of work (e.g., job organizational support means), but between the levels of work (e.g., how a good job description relates to operationally achieving the mission/vision at the business unit level).

Organizational Support for Organization

Organizational support related to teams and management includes such elements as leadership practices, conflict resolution, management systems, partnership arrangements and the like. As an example of cause and effect, conflict resolution, say, can have a much-needed positive impact on the work execution of teams, as well as that of individuals. When individuals or teams can't resolve long-standing issues with one another, productivity is negatively impacted; thus organizational support by the enterprise in this instance has failed. The same is true of any of the many means of organizational support.

How the various organizational support means are used, implemented and improved in a business will not be a major focus of this book—other resources exist for this purpose. Rather, our focus is on their existence and alignment as part of a re/organization. We will show a convenient and useful way to collect organizational support data as a part of the re/org effort. Approaching organizational support in a disjointed way, without regard to impact on work efficiency and effectiveness, is less than ideal. We often see businesses improving one or another means of organizational support without regard for its impact on other organizational supports—or even on the work execution it is supposed to support. Isolated attention to just one or several means of organizational support can undercut any overall effort. Such a "program approach" to improving performance is far too piecemeal and will not achieve the results desired in support of work execution.

If, for example, you mandate that every manager fill out a form that has been designed for a performance review, a filled-out form can become the goal, rather than an improved employee performance. Perhaps the form isn't even that good. Perhaps these reviews get in the way of daily execution of work, rather than building on that work execution as it is being done.

Thus, the focus of organizational support in this book is that it is to be systematically identified and provided in all its necessary dimensions as it relates to the organization or re/organization of work execution on an ongoing basis. An alignment between work execution and organizational support is something that requires real and constant attention; otherwise the work execution suffers and ultimately the business is harmed.

Chapter 6: The Language of Work ModelTM: The Means to a Systematic Approach to Re/Org

The Language of Work Model™ is introduced as a Re/OrgSystem that everyone in the enterprise can use together to organize or re/organize the enterprise. The Model makes possible alignment, transparency and continuous improvement.

Introducing an Operational Way to Align, Create Transparency and Achieve Continuous Improvement of Work

When employees, including executives, managers, workers, and team leaders, talk about, plan, suggest improvements, implement and generally communicate about work, there can be many problems. In fact, communication at work is a major reason firms employ consultants. A common, mutually understood and useful way to converse constructively about what work is (except perhaps technically) and how to improve it does not exist. It is as if we were all singing, but without a musical score to follow.

We might say there has been no formula or model of work that everyone shares to help you make informed decisions. Instead, you each use our own reference point about the work and assume that others share that point of view. Lacking a formula, executives talk about goals, objectives, strategies, products or services, while employees tend to talk about skills, knowledge, changes, activities and problems, as well as sure-fire solutions, and about executives who ignore these "obvious" panaceas. Chances are some are talking about one aspect of work while others talk, mentally see or under-stand other aspects: neither side is on the same page. Observe at your next meeting to see if this is the case.

Until now there has never been a universal "language of work" that centers communication, paints a clear picture of what work is composed of, and how the elements work (or don't work) together. No language has existed before that allows discussion, promotes consensus and facilitates clear understanding so as to eliminate subjective opinion while developing objective knowledge of the work and how to improve it.

To organize or re/organize a business at any level requires a universally understood and applied way to operationally plan and execute responsibilities, procedures and tasks across the entire workforce and management. Without it, re/organizing is left to guesswork, intuition, politics, personal agendas and posturing, leading to failure.

Thus far, you have learned how to think of a business as four levels of work execution: business unit, core processes, jobs and organization. You have also seen the need to support these levels with various kinds of organizational support for a healthy culture.

We now introduce an easily understood and easily applied Language of Work Model™ in the form of six systemic elements that define each of the four levels and the organizational support layer of work. Using the same work model at every level allows us to align the levels and layer with one another and create greater understanding and clarity—transparency—up, down and across the enterprise.

Without such alignment, work is a jumbled mess of who's responsible for what and cries of "Why don't they support what we do?" Each department is managed as if it were its own kingdom, without regard to the overall mission and vision that maximize profit and customer satisfaction. Given the need for a common definition, understanding, and alignment of work, we can now describe the Language of Work Model™ and how it can be applied to organize or re/organize enterprises the right way.

A Model of Work Everyone Can Use Together:

The Language of Work Model™

Enterprises, like the people who comprise them, exhibit behavior. Work behavior can be succinctly defined so that it is well understood by everyone in the company. When we are able to accurately describe or model the behavior, the best way to organize and manage it emerges.

The notion of everyone understanding and communicating what is or should be going on (correctly or incorrectly) is a relatively new concept in today's workplace. There will be more details later in the book on the possibility and value of full transparency after the introduction of the work model as it is used for re/organizing an enterprise, division, department or team. It is much harder to organize and run a company effectively and efficiently without everyone truly understanding their own and others' work as it relates to contributing to and ultimately achieving the overall ends of the business.

The work of an enterprise can be viewed as a systemic relationship between certain behavior elements that comprise work and then can be manipulated to the best ends of the business. This is roughly analogous to knowing the notes of a song so that all the musicians can sing or play individual parts and even develop new music. Using the same knowledge of the relationship, everyone can then understand what the work is supposed to be and, if it isn't, the right ways to improve the enterprise. There is no one better to make these suggestions and changes than those who do the work, and that is equally true for organizing the enterprise.

For our purposes in this book, everyone can engage in re/organizing the work—not just management. Management can find the best ways to meet their business circumstances and needs as an enterprise, but the workforce can tell us how to organize their work to those ends.

There are six interrelated elements that together comprise work behavior and can be used to define, align and organize work. The elements are presented here in two categories based on a cause-and-effect behavioral relationship. In this way, we will see what to produce (the effect) and how to achieve it (the cause).

In analyzing the work of a business, we must first know the intended results of the work and then how these results are achieved. In other words, we need to know the intended ends before we can determine how to achieve them. Thus, our behavioral relationship here is effect and cause. This is consistent with any good business practice. It says we need to know where we are going before determining how to get there.

We begin, therefore, with the desired effect—the end results we are trying to achieve in business work.

DESIRED EFFECT

... Something brought about by a cause or agent; a result

Business *effect* is composed of two interrelated behavior elements: *deliverables* and desired *consequences*.

Deliverables and Consequences

In work we want to achieve, as an effect, certain deliverables (behaviorally known as outputs) that will result in certain desired consequences (or benefits or value added). The deliverables the business desires to produce are commonly known as products and/or services. We produce or deliver these for the desired positive consequences such as profit, client satisfaction, return on investment, societal good, etc. If we begin by defining our desired deliverables—what products and/or services we want to deliver—and what desired consequences these will need to achieve, we establish the kind of business ends we want to have. There is another way to look at the same thing.

We could, conversely, define what desired consequences we want to achieve, and then what deliverables would help us meet those consequences. As a matter of practicality, which of these two elements is defined first or second is often an iterative activity designed to achieve as much clarity of intended business ends or *effect* as possible.

One business desires to produce hamburgers, while another has laptop computers as deliverables, and both desire certain consequences like those we have just stated: profits, customer satisfaction, return on investment, and so on. In the method of organizing or re/organizing a business, we will therefore begin the definition of work at each level (business unit, core processes, jobs and organization) by defining and aligning deliverables and consequences commensurate with that level of work, in relation to any previous levels already defined (e.g., how jobs relate to the core processes).

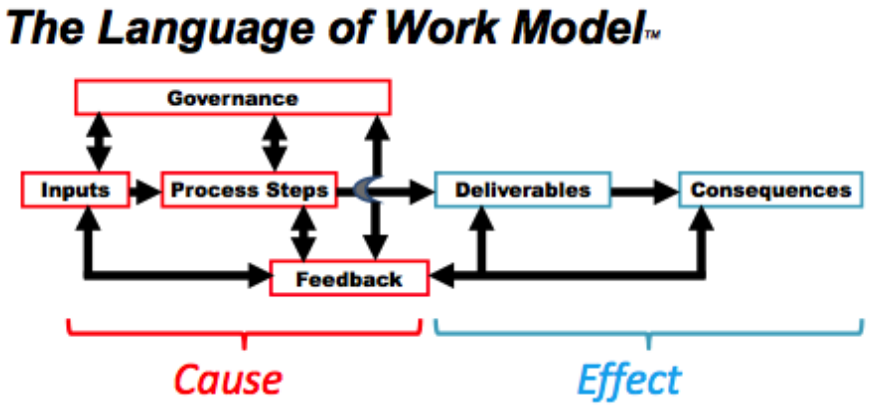
The question to be answered in defining or redefining the business after the desired effects have first been delineated, is what it would take to produce those effects. What does it take, from a purely work perspective, to produce the products/services—the deliverables—and the consequences?

CAUSE

... The producer of an effect or result

Business *cause* is composed of four interrelated behavioral elements: *inputs, governances, process steps* and *feedback*

Interrelated work elements that produce effects (deliverables and consequences) include inputs, governances, process steps and feedback. Together these four elements are the causes in a cause-and-effect relationship. Each of the four elements has a further systemic relationship to one another that produces the desired effects. Operationally, the model for work can be illustrated as follows:



The systemic relationship among these six elements of work can be summarized in the following operational descriptor:

Initiated by and using inputs (such as client need and available resources), under the influence of given or implied governances (rules and regulations), process steps are followed to produce/provide desired deliverables and their associated positive consequences, with the aid of a variety of feedback.

> Note: In our various books and articles on the Language of Work Model™, we use a variety of terminology to designate work, such as: outputs for deliverables, conditions for governances and work support for organizational support. These have been relabeled here for simplicity and application by you and your enterprise. The original titles are consistent with a behavioral approach to communicating technically what work is and how the elements relate to one another—i.e., they serve my colleagues in the behavioral science world. Either set of words works well in any business setting and may be mixed and matched as they best communicate meaning and use in your particular setting.

In light of what we have learned thus far in this book, it would be accurate to also add that:

> ***Work is best accomplished when the enterprise provides adequate organizational support to accomplish work execution.***

As depicted in the above illustration, the Language of Work is a behavioral model, not dissimilar to descriptions of everyday individual behavior. For example, buying food at the grocery store would be a typical output for the consequence of feeding yourself and your family. You bring with you a list of things to buy—your inputs. You have

governances to follow, such as where the food is located in the store, perhaps your dietary needs, coupons, etc. Your process is to travel the aisles until you find items, put them in your basket and check out. You utilize or seek feedback in various forms of communication as you ask a clerk where to find the cottage cheese, read posted prices, use your smartphone, see whether a particular coupon is useful or not, or communicate with your spouse.

The six elements of work can similarly be used to explain what work is, or should be, going on in an enterprise at different levels. By using such a model with management and the workforce, we can define and agree on what the business is (its *as-is state*) or should be (its *to-be state*). The model can be an invaluable tool in making changes in the enterprise, which is the purpose of re/organizing.

Inputs

One kind of input of work is familiar and obvious to most of us: the resources used or needed to do the work. However, another kind of input may not seem so obvious, but it is always present, necessary and critical to business success. That is the input which initiates or triggers the work. Thus, when a customer says, "I want this," that is the trigger input to start work. Similarly when an executive, manager or other worker asks for something, it triggers work in the form of the answer to a question, a requested report, a specific task or set of tasks and so forth.

Governances

Governances are the rules and regulations that must be taken into account at all levels of work. These governances are kinds of "inputs" in one sense, but the difference between governances and inputs is that the governances are usually "fixed" (much like a rule or policy) and in place; thus you don't use them up as you do inputs; instead, you follow them. Governances may also be hard to change, but it is not always impossible to do so. Generally speaking you can't or really shouldn't change them yourself. In business you can ignore governances, but that really isn't that smart. Instead, you can learn what to do with them and influence how they might be used or changed.

These are the kinds of internal governances found in company policy manuals, as well as the rules from various external governing sources such as laws, regulations, union rules and so forth. Following OSHA rules on safety would be a good example. Governances commonly have influence over inputs used, process steps to be followed and even feedback.

In the grocery shopping illustration just cited, typical governances would include store layout, nutritional listings, return policies, use of coupons, etc.

Process Steps

Process steps, or processes, are the activity engaged in to produce the outputs or deliverables of work. When the input, such as a client request, presents itself, we initiate a series of actions to respond to or service the request. It may be a process that requires a repetitious set of steps or one or more sets of steps that allow workers to "create" the way the request will be accomplished. Process steps are what we commonly think of as the activity, the tasks, of doing work. When you divide that activity into its elements like

inputs, conditions, process steps and feedback, it is much easier to see how to change, influence, improve, align, and for our purpose here, organize or re/organize work.

Feedback

Feedback includes the information that helps us do the work correctly, helps make us take corrective actions, reinforces us when we have done things right or shows us when we've done them wrong.

There are two broad forms of this feedback. The first we use while working, and the other occurs when the work is finished. Thus, there is a *formative* kind of feedback from managers, other workers, ourselves and clients that help us get the work done correctly and on time; here we can make mid-course corrections if needed. *Summative* feedback says we have done the work right, and the customer says they are satisfied (e.g., repeatedly purchasing our output). Or, conversely, the work output isn't exactly what they wanted and needs to be corrected in some way. Note that feedback is systemically related to the other five elements of work, as illustrated here:

Input: we correctly heard the customer's request

Process Steps: we completed the procedure the right way, or we have seen it needs to be adjusted

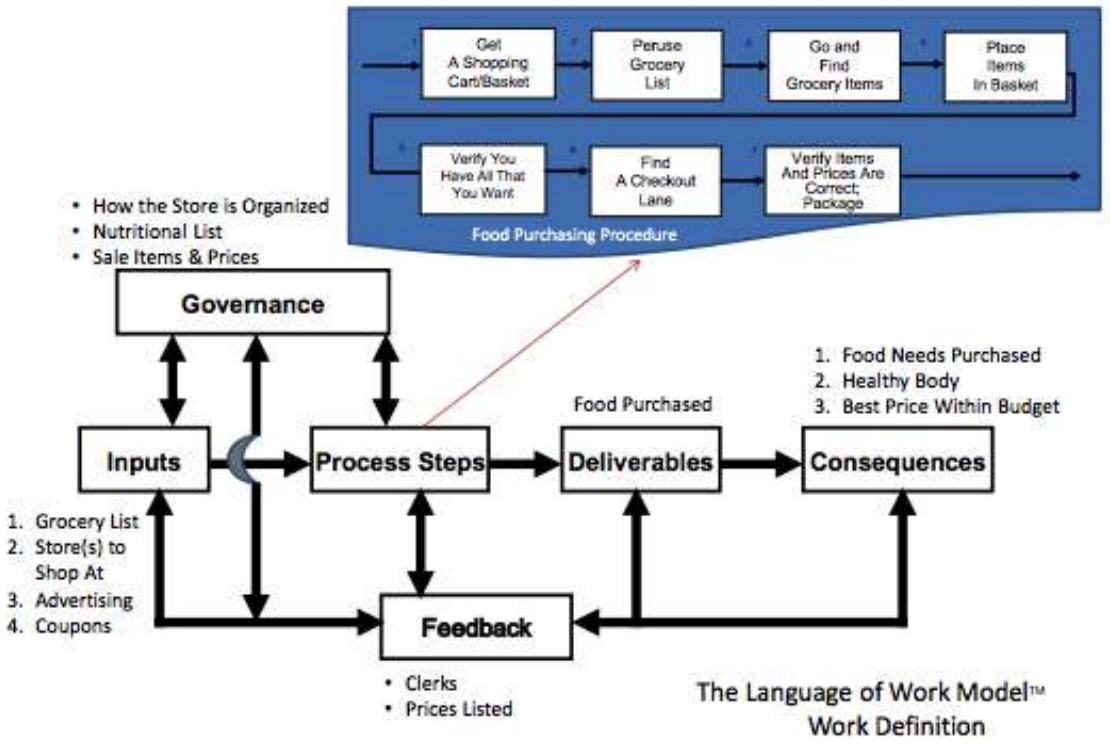
Governances: we followed the rules or regulations

Deliverables: we gave the customer the right product or service, as requested

Consequences: the customer says he is satisfied and pays us

You see then that feedback is systemically related to the other five elements of work. Feedback is perhaps the most overlooked element of work in business.

Examples of each of the six elements of the Language of Work Model™ for the grocery purchasing example are summarized below. Note carefully how each element has a systemic cause-and-effect relationship to others.



The Language of Work Model(tm) serves as a backdrop for knowing how to define work behaviorally. With this in mind, we can now look at how it would be used to organize or re/organize an enterprise. In broad terms, this means we need to define and reach consensus on the four levels of work, as well as on how to support the work as an enterprise. This defining process or modeling, as you will come to know it, will lead to a deep knowledge of the business, and tell you how best to structure it.

First, we need to describe the meaning and importance of work alignment before we provide an example that illustrates how the Re/OrgSystem works.

Chapter 7: Correctly Re/Organizing the Enterprise

The key result of an effective Re/Org is work alignment—everyone works in harmony with one another up and down the enterprise. The elements of work alignment affecting work execution and organizational support are introduced.

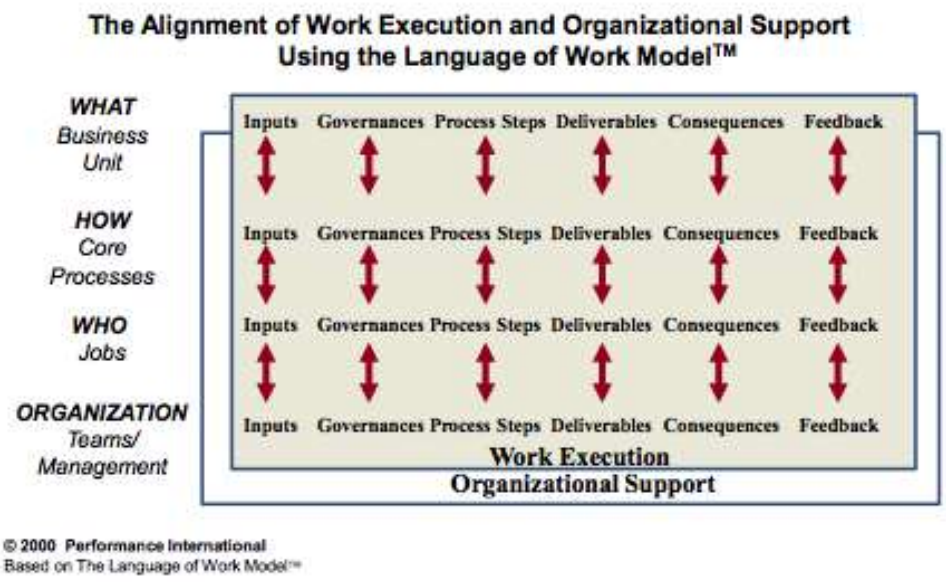
Achieving Work Alignment with Full Knowledge of Work

The Language of Work Model(tm) provides two key outcomes that are not typically found in conven-tional re/organizing: alignment and transparency. We will look at each of these separately, but they are always a consequence of using a truly systematic re/org process.

Businesses have long believed that aligning all their parts would be terrific. Silos would cease to exist; turf fights would disappear, because all parts of the "machine" would understand the role of the other parts. Each could then focus on being the best it could be, rather than, unintentionally or otherwise, undermining other units, departments or divisions.

Alignment has links to business efficiency and effectiveness that cannot be left to chance. This kind of alignment is critical and well-documented in other available resources. Thus, enterprises have long specified their mission/vision and goals and have tried to align their competitive edge and strategies to these.

However, what we are addressing here is alignment of a different kind. It is the alignment of the content (WHAT) to the method (HOW, WHO, and way of ORGANIZATION) of the work that is to be accomplished, supported, and managed in the service of those business plans. This kind of alignment cannot be attained by good intentions or even by well-defined strategies and plans. No matter how well we construct and understand business plans, they always lack an operational view of the work. Such an operational view is made possible and embedded in a behavioral definition of work known as the Language of Work Model(tm).



This chart illustrates how using the Language of Work Model(tm) to define work at various levels and layers of work, allows—indeed demands—alignment among the what, how, who, organization of teams/management, and support. Because the Language of Work Model(tm) is both systemic and systematic, its use allows work to be defined by the same six "buckets" or elements of work. Using these six elements to define work at the various levels inside complex organizations does not negate all the institutional and technical knowledge surrounding the institution, but instead provides clarity to the non-experts in all other areas of work.

For example, focusing on the details of following arcane tax rules in multiple countries makes listeners want to run out of the room with their hair on fire or makes their eyes to glaze over. But every employee can understand that a deliverable for an accounting department is "taxes calculated, ameliorated [legally lessened] and paid." And when they discover that one of their own outputs—perhaps "sales reports produced"—serves as an input to another department, many complaints and the need for management to track down information can be sharply reduced.

Aligning work execution and organizational support (the subject of Chapter 9) is made possible by using a common model that is explicitly about *work*—work alignment within work execution and with organizational support.

The next chapter will illustrate a high-level (i.e., there is not much detail) example of how work alignment should play out in business to best organize or re/organize an enterprise.

Chapter 8: A Sample Re/Organization:

This chapter introduces a case study of an actual enterprise Re/Org. It is designed to acquaint the executives and other management with the essence of a re/org without the details. Details on a re/org, with sample documentation produced at each stage, can be seen in the other edition of this book. It is designed for those who will help you facilitate an actual re/org on your enterprise's behalf.

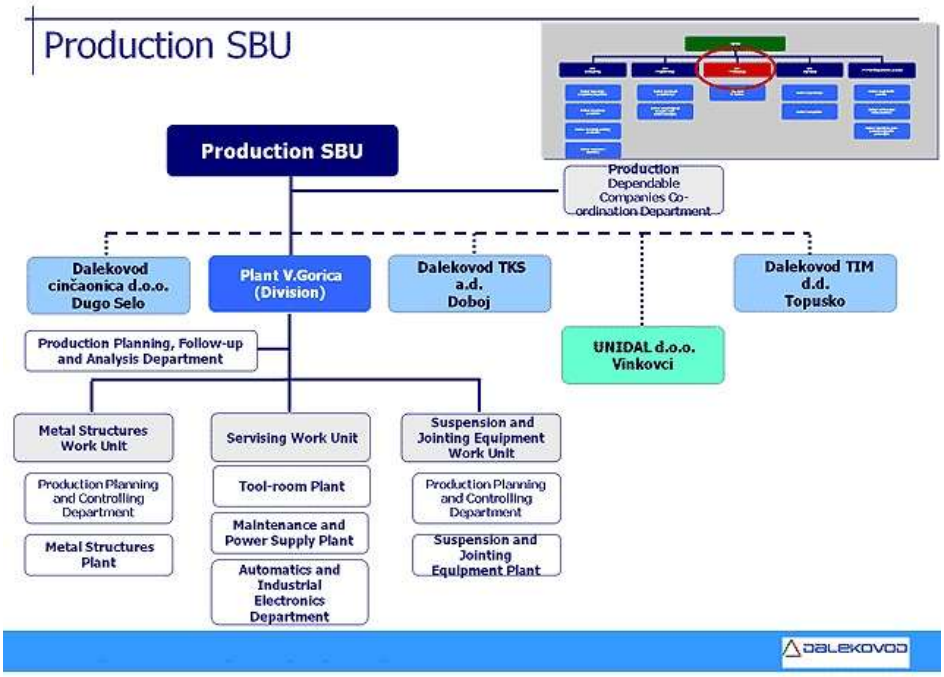
Achieving Work Alignment

This introductory sample of a re/org occurred in a major utility with a large IT function, Agua IT Services (AITS), a fictional name to preserve confidentiality. AITS has about 250 employees; its mission is to provide several services related to statewide water management, flood control, environmental concerns, agricultural and citizenry needs related to the transport and the availability of water statewide. The IT function alone interacts with more than 50 internal business units and provides a wide range of IT services for monitoring, conveying, protecting and maintaining the quality of water resources. AITS largely employs IT professionals, technicians, specialists and support personnel.

Note: Before or after this chapter you may wish to read the Case Study, AQUA, upon which the sample reorg described here is based. This case study is found in the Appendix. It provides additional details useful in further understanding what will be describe here.

First, Define the Business Unit:

The "WHAT"



To achieve organizational alignment (as well as transparency and continuous improvement), a re/org must begin with a clear understanding (especially among executives) of WHAT the enterprise is (its current state) or is to be (its future state). This should be obvious enough, since we all agree that knowing the goal is critical to achieving the goal. However, companies often grow in bits and pieces, or in spurts, which then leads to an absence of deep understanding of the work. An operational model to date—such as the Language of Work Model™—to define the "what" and reach consensus overcomes this deficiency of work understanding. For this reason, with rare exceptions, we must begin the re/org at the business unit level.

The AITS executive team formed for reorganizing the IT function began defining their business unit by identifying major deliverables. These are the major products and services that they "deliver" to their customers (mainly water contractors) and clients (internal business units, agricultural groups, and citizens). These are primarily services like IT Flood Management Support, Telecom Services, SAP Installation and Administration, Data Software Support, Project Management, and so forth. Most enterprises deliver 5 to 7 major deliverables, but there are exceptions. In the case of AITS, there were 10 major deliverables, a few of which are listed here:

Note to the chart: We are deliberately not listing all deliverables produced by AITS; instead, we are providing a few examples so that you can see the work-product without getting caught up in the details of a typical work model. If you want more detail, this may be found in the Appendix or in other sources, such as the many re/org engagements case studies available from the authors).

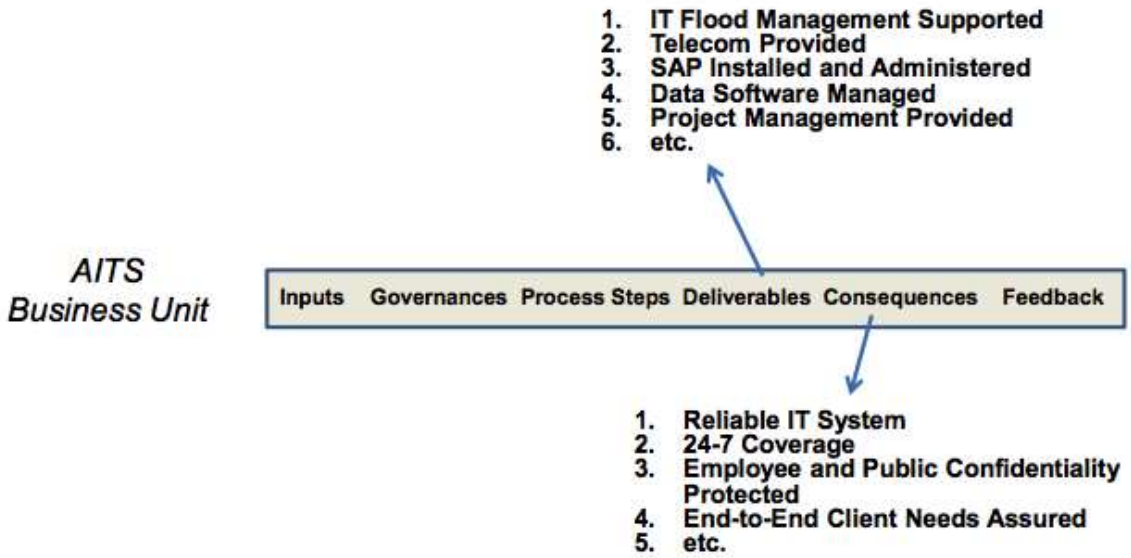
After the deliverables are defined, the business unit modeling team turns its attention to the desired consequences for AITS, answering the question, "What are the deliverables designed to be achieved as value-add?" Usually the consequences are pretty straightforward, and executives have little difficulty identifying them. They are expressed as value statements of desired business outcomes that include things like: reliable IT systems, 24-7 IT coverage, protection of employee and public confidentiality, satisfaction of end-to-end client needs, and so on. One of the ways to ensure that the desired

consequences have all been identified is to cross-reference the consequences with the deliverables that should achieve them.

> Note: This model is designed in such a way that, by using techniques such as cross-referencing deliverables with consequences, one is assured that all the deliverables have been named.

> Because the Language of Work is a behavioral-systems model, adapted to the world of business, it is able to describe the work completely and quickly. One is not on a search for every little detail. Instead, the categories have been named, and the work of the experts is to populate those categories. While it is intellectually taxing to do so, because you must think outside the box, the set is defined and therefore self-limiting. In other words, following this modeling process develops a clear—and accurate—picture of the work of the business unit.

Any missing consequences, or for that matter incomplete deliverables, will be revealed by cross-checking, and missing refinements will emerge in the subsequent definition of process steps and other work elements. For the AITS business unit, (some of) the deliverables and consequences are summarized below, to which examples of the other work elements will be added shortly.

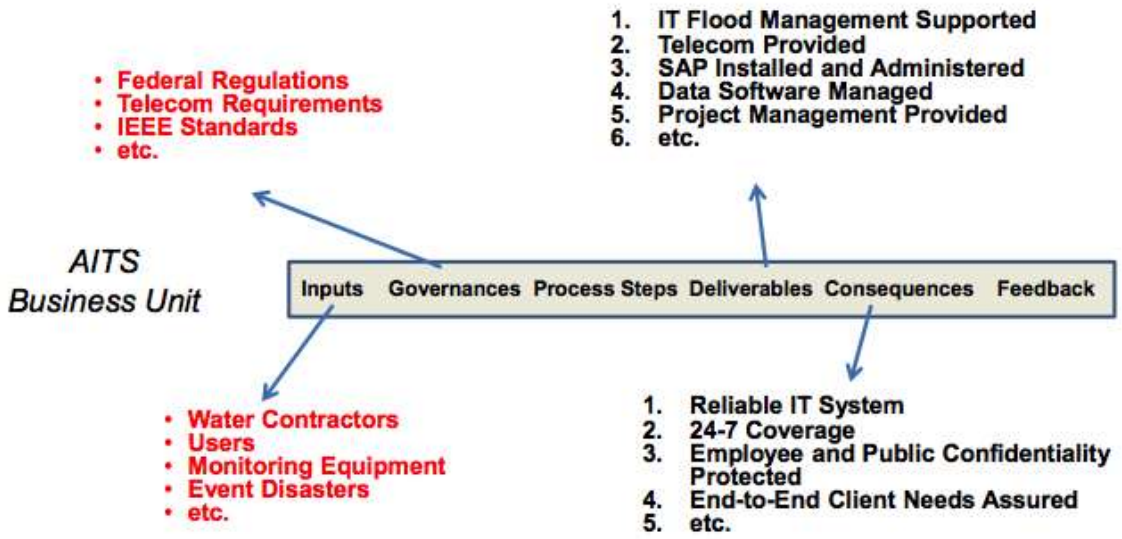


> Note: This and subsequent illustrations are not the actual form of the Language of Work Model™, but rather are simplified representations for use in this book. See the appendix for an actual sample core process model. Other various models at different work levels are found in the *Facilitator's Guide to the Language of Work Re/OrgSystem*.

For AITS to achieve its desired deliverables and consequences as diagrammed above, they need the means to do so. In the Language of Work Model(tm), the "means" to achieve "effect" (which are the outputs and the consequences) is based on defining the four work elements: inputs, governances, process steps and feedback.

Looking at inputs first, remember that inputs are of two kinds. We see that AITS inputs include various kinds of client requests that trigger work, as well as a variety of resources which are needed to accomplish the processes, adhere to the governances and utilize the feedback. *Trigger inputs* articulate the initiators of the work; this is important because when these inputs are enhanced or improved, they directly impact the quality and/or amount of output. The more client requests there are, such as, in this case, from *water contractors*, the greater the quantity of (work) output should result. The other kinds of inputs, known as *resources*, identify what needs to be in place to produce and/or service the business outputs. Monitoring equipment would be one example of a resource input for AITS.

The enterprise business unit team next identifies the governances that need to be followed in doing its work as an enterprise. These are most often the rules, regulations and laws that must be followed. These are, so to speak, the "stay out of jail" elements of work. Federal regulations govern water resource utilization stringently in the case of AITS. Other examples (in red) of inputs and governances to the business unit model of AITS are listed below.

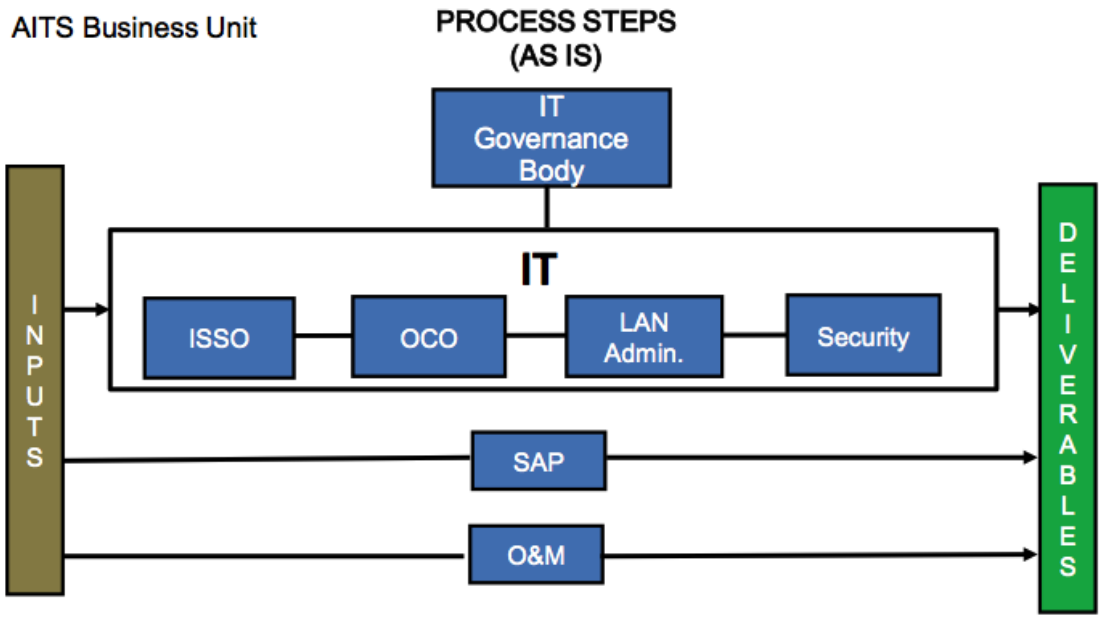


Once the deliverables, inputs, governances and consequences have been identified, the team modeling the business unit is now in a position to define the process steps at the business unit level, given that the inputs, under the governances, will produce the deliverables that achieve the consequences.

The business unit is most often an organizational depiction of process. The business unit's process steps will therefore be defined in a form different from the process steps of the other three levels of work execution. This is because the level of detail needed to achieve consensus of process steps at the business unit level is far less. Executives, for their part, are mostly interested in a high-level view of the business unit process. They don't need or desire details on work execution. When they eventually do need the details, these are available through other, subsequent work levels in core processes from some key work groups. Executives rarely need or want job-level performance information (with some key exceptions that need not be detailed here).

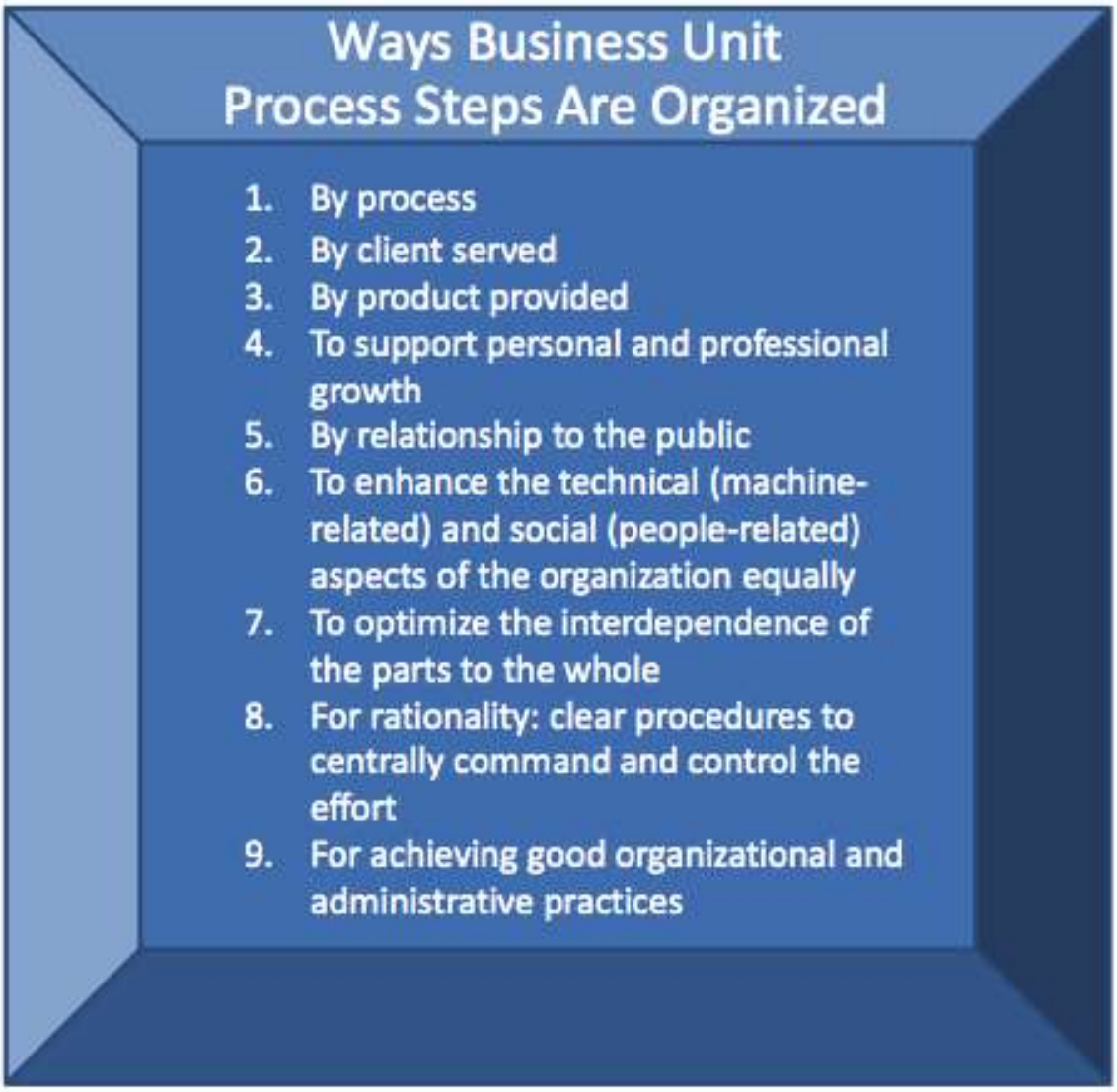
An illustration from the AITS business unit will adequately illustrate one—a primary, but not exclusive—version for expressing process steps in a business unit.

The process steps of the AITS business unit shown below illustrate how work is processed organizationally. This is fairly typical of how enterprises represent themselves. A chart illustrates the relationship of various work groups (departments, entities, etc.). This AITS chart, communicates how AITS views, from a process point of view, its major deliverables and consequences.



The depiction of the process steps of a business unit at this point in the re/org is merely a convenient organizational placeholder. It shows the current, AS IS, state of the process steps AITS uses as a business unit. In the Re/OrgSystem, the TO BE (future) state of a business unit process element will be the new re/org structure that results after alignment of work from business unit to core processes to jobs and finally to work groups. This TO BE process step won't exist until nearly the end of the entire re/org process. Only then can we be assured that the best re/organization for the enterprise is based on an alignment of the work, defined throughout the organization from one level to the next, which culminates in determination of work groups.

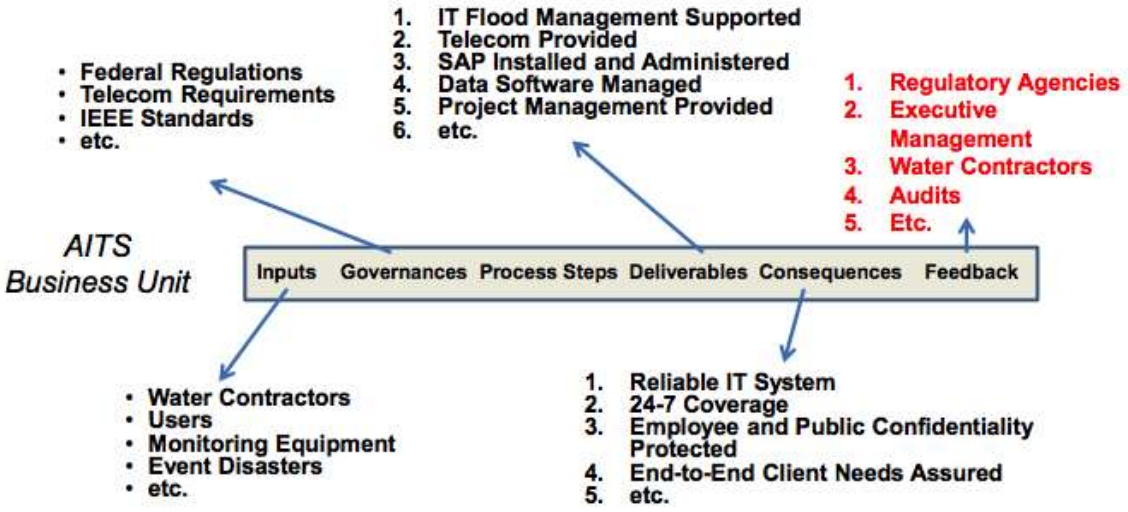
There are several ways to formulate a business unit process according to varying business needs. These ways are summarized in the following list.



Among these, the easiest and most often used is number 8, a perceived need for "clear procedures to centrally command and control the effort." This is reflected in the process steps in the AITS enterprise: it illustrates how all the various work groups relate to one another to produce the deliverables, using a hierarchical/military central command structure.

Still another way to represent process steps in a business unit is by the flow of different core processes—criteria one in the table of how business units are commonly organized. Thus, for example, the process of marketing flows into the processes of selling, delivering, billing and customer servicing. This would be an example of the business unit process steps in other enterprises. Regardless of which criteria you chose, the business unit modeling need at this point is to capture at a high-level view of how work flows to achieve the **deliverables** and **consequences** by using the **inputs**, adhering to **governances**, and aided by appropriate **feedback**. There is no need at this stage of modeling the business unit for lots of core process detail for each business deliverable.

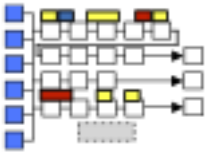
Finally, we come to defining feedback as the sixth work element of a business unit model. At the business unit level, feedback is key to knowing that the organization is doing its work right and can make mid-course corrections when needed. Ultimately feedback ensures that the clients and customers receiving the deliverables are satisfied. Here are some typical examples of business-unit-level feedback for the AITS enterprise:



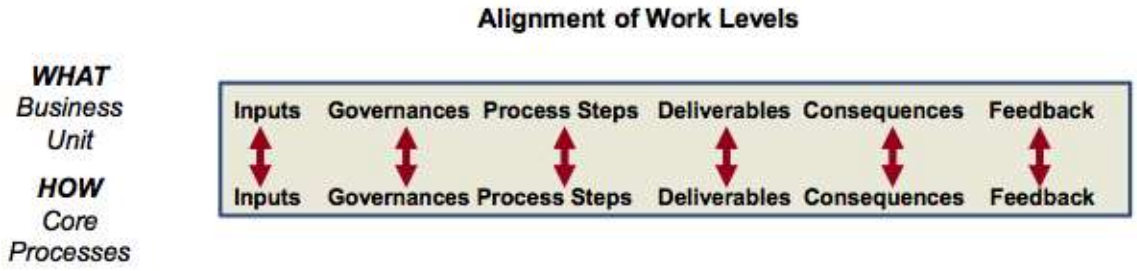
Thus, by way of a summary, the six elements of work are used to define and achieve an understanding and consensus of AITS at the business unit level. Business unit modeling by the executives achieves agreement on the WHAT of the business. This model sets the direction for communicating to everyone who follows in the re/org process exactly what the executives want the work of the enterprise to be. Others in the enterprise will then base their modeling of core processes, jobs, organization, and organizational support on this graphic understanding/modeling of the business unit.

Second, Define and Align Core Processes to the Business Unit:

The HOW



with the WHAT



With the business unit well-defined and shared with others for input, clarification, and consensus, the re/org moves next to modeling the core processes that are used to produce the products and services (deliverables) of the business unit. Here is where much of the detail, but still at a high level, begins to emerge as to how the work is to be done to achieve the major deliverables. This is done—and this is important—without general regard for WHO will actually do the work. As noted previously in the Language of Work approach, WHO comes at the third level of work modeling—the job level. WHO (individually) is obviously important, but to achieve alignment, the re/org must first define the optimal view of how the work is to be done. Otherwise it becomes confined by a lack of perceived talent or concerns about taking care of or finding a place for individuals. Be prepared to define core processes as if the world were your oyster, but realistically, given available technology and resources. Thinking outside the box when defining core processes can pay immense dividends to making work and the re/org all that much better.

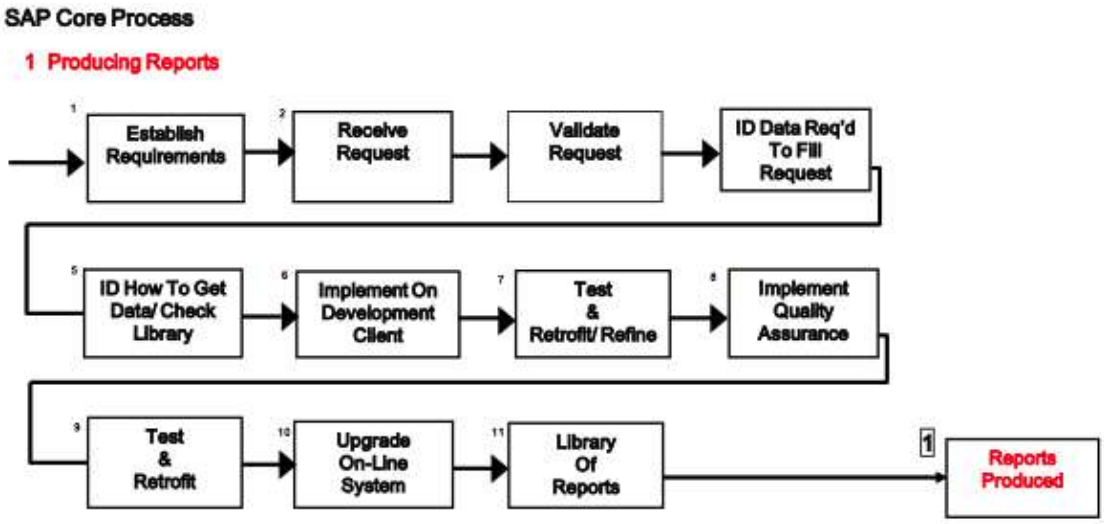
We will look the core process of AITS related to the output of *SAP installed and administered*, and within that core process, *reports produced*. Therefore, the corollary process name is *producing reports*.

Core processes are to be modeled by management at the operational level; usually by directors, managers and/or supervisory personnel—those whom everyone in the enterprise generally known for their expertise at the core process level. They usually have the respect of both the executive management and the workforce. You know who these people are. It is desirable for an exemplary job performer in a given core process to be included on the core process modeling team. Their perspective, as exemplary job performers, adds much value and often keeps the management personnel more realistic.

As we have noted, core processes represent the HOW of the business. They show HOW to produce the major deliverables that have been specified in the business unit model as the *outputs*. Since the Language of Work Model(tm) is used to define both business unit and core processes, the six elements of work in both can be precisely aligned with one another: outputs of business unit to outputs of core processes, inputs of business unit to inputs to core processes, and so forth for the other four elements of work. Of course, they will be defined at differing levels of detail, but they can and should be aligned. Not aligning the work in this way only places workgroups at odds with one another and creates great inefficiency or even conflict among workers and managers.

As was noted before, the modeling of core processes is done by your key managers and exemplary performers, under your sponsorship as the executive(s). They will define each model, preferably with a good facilitator. Your managers will be producing in this phase

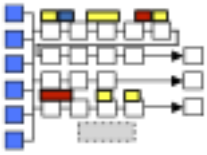
of the re/org process a clear, concise and consensus-based view on HOW this work will be done to align with your view of WHAT the business is. Together, you will have aligned the core procedure to the business unit so that everyone understands it and can move to the next step of WHO will do the work to achieve the HOW. The core process for *producing reports*, of SAP is illustrated as follows:

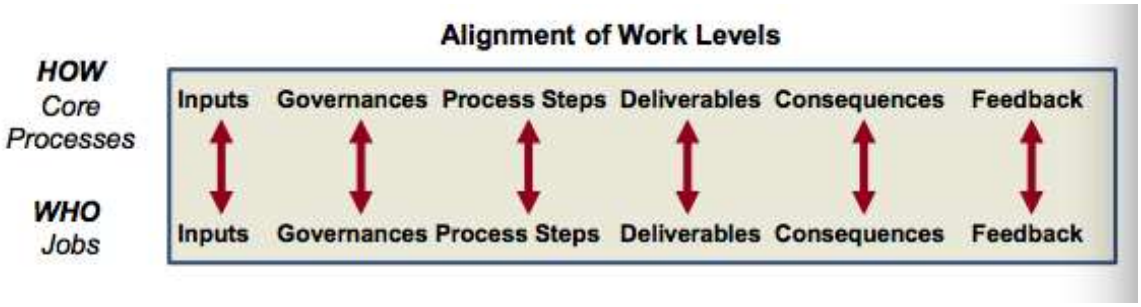


Third, Define Jobs and Align Them to the Core Processes:

The "WHO"

to the "HOW"



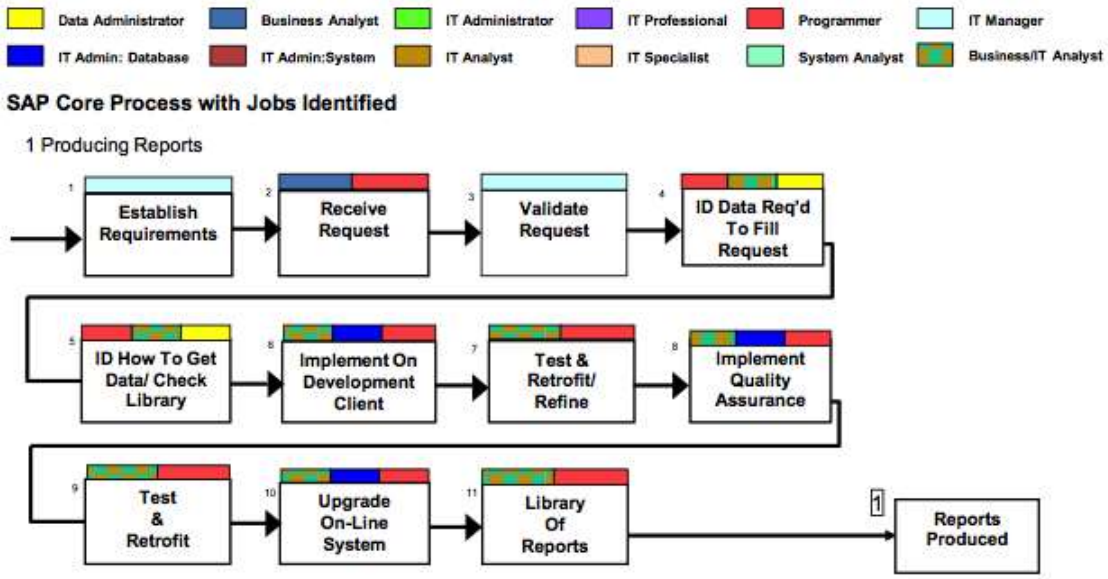


There is a maxim that goes: "Success depends on finding the right person for the right job!" A precursor of this maxim should be: "To get the right job, match all jobs to their related core processes." It's not enough to select the right person to implement a job role; it must be the right job for the work itself. This mismatch happens more often than you may think. But now there is a much more scientific way to place people in jobs than to turn over a list of specifications (dream team characteristics, perhaps?) to HR. Instead, by aligning jobs required to execute the core processes, you can be sure that you have defined the right jobs to fill.

The Language of Work solves the identification of jobs quite simply. Once the core processes have been modeled (as described in the second step,

> Note: We have deliberately not shown throughout this book the completed modeling documents produced at the various levels of work so as to avoid letting content details of the sample enterprise get in the way of fundamental understanding of the Re/OrgSystem. However, should you want to see one example of such a model at the core process level, the Appendix does contains a typical core process model in its final form. You will find many other examples of models at all levels in the other edition of this book, *The Facilitator's Guide to the Re/OrgSystem*.

above), one can simply list the job titles that currently exist (and/or new job roles that are revealed from core process modeling), and color code these jobs to the process steps of the core processes. Below is a simplified illustration of how this looks relative to the sample SAP core process and the output that relates to *producing reports*:



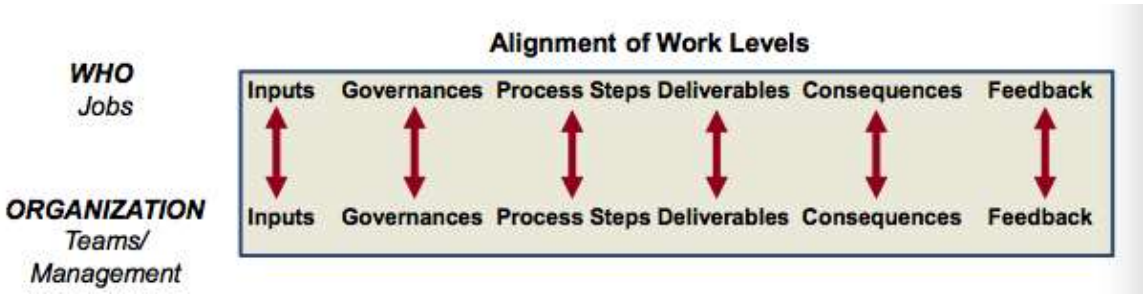
When modeling jobs using the Language of Work approach, existing job holders will not be left to decide for themselves (or by managers or HR only), what their jobs entail. Instead, each job will begin with an understanding of how the job fits into the core process of the organization. Because jobs are based operationally on the work needed to execute the well-defined and aligned core processes, through color-coding jobs to the core processes, each job can subsequently be modeled based on the actual work to be

fulfilled. Use the Language of Work Model(tm) to model these jobs, with primary input coming from the core process models. Ordinary job descriptions cannot do this, because the relation of the job to the core process has not been linked. The alignment process of the Re/OrgSystem will help ensure that you have the right jobs for your core processes; then, and only then, will you be able to find the right person(s) to do the work consistently and well.

The six elements of the Language of Work Model(tm) can be used to define any job, no matter how simple or complex the work. Job models precisely connected to the six elements of work previously defined in the core processes and business unit are critical to a well-designed, well-aligned enterprise.

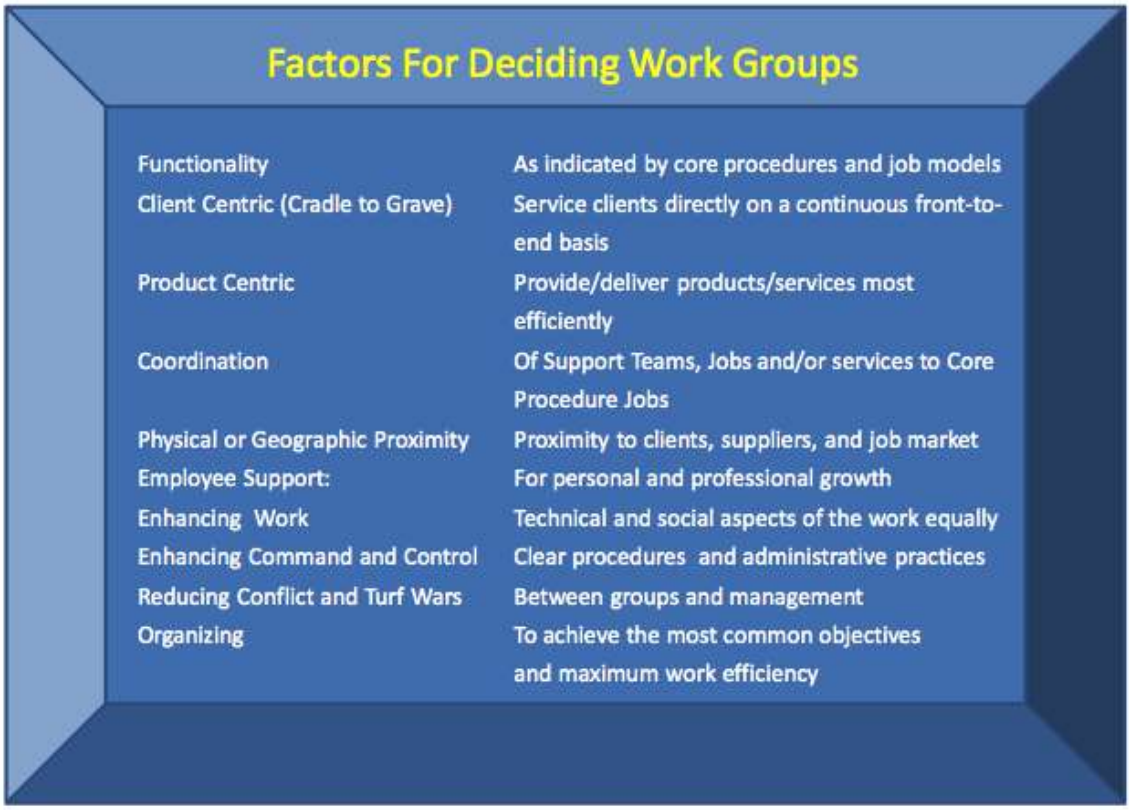
Fourth, Model and Align the Organization of Teams/Management

Work Groups Aligned to Jobs, Core Processes and the Business Unit



Individual job holders don't typically work in a vacuum. Rather, they work with other professionals, technicians and support staff, and with managers who help facilitate the work. Individual jobs need to be aligned with other related jobs in the enterprise. We refer to the jobs that relate to one another as the ORGANIZATION level of work execution; business usually calls them by names like teams, units, sections or departments. These are all one version or another of what we collectively label as *work groups*. One of greatest features of the Language of Work Model(tm) is that it provides the means to align work groups and management positions directly to the business unit, core processes and jobs. This creates unity in the work and eliminates disconnects.

Teams are generally decided based on the flow of *core processes*, but not exclusive-ly. Thus, a team may be organized to complete a whole core process, across core processes or as a part of a core process. Then again, other factors may come to play as well in deciding what the teams need to be, such as following:



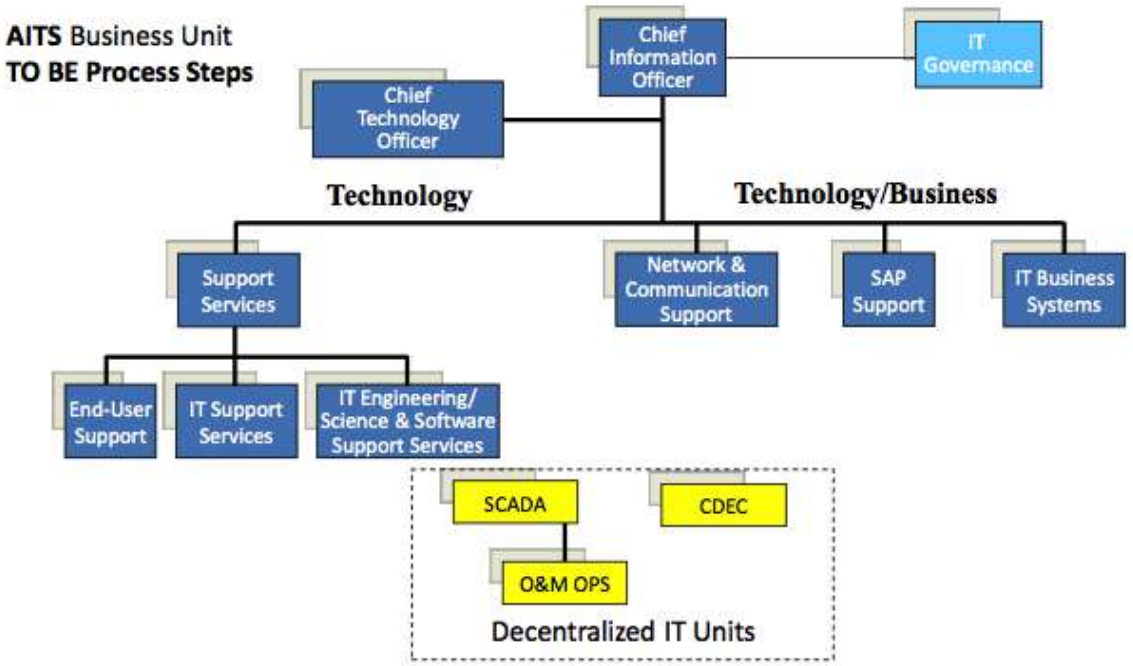
In AITS, IT professionals were placed in work groups based on their functionality in producing common outputs—for example, *IT support services* or *SAP support*. Jobs in these work groups interact with other work groups like *engineering science services & support*, or *end-user support*. Each of these work groups will be modeled using the same six-element work model of the Language of Work. This allows the various jobs, core processes, and the business unit models to be aligned with one another.

As is true of other work execution levels, the modeling of work groups is best done by exemplary job performers who are or will be part of the work group. They follow the order of modeling of the six work elements, as was previously for done with the business unit, core processes and jobs. Thus, each modeling output becomes the input to the next level of work execution organization.

Once identified and modeled, the work groups will collectively form the basis of the second part of ORGANIZATION; what is commonly thought of as the organizational structure. This becomes the TO BE (future) process step of the business unit model.

The organizational structure, by virtue of using the Language of Work approach, practically reveals itself from the modeling that has taken place through the various work levels. This is because there is a kind of cumulative intelligence, so to speak, that the various preceding modeling reveals about how to organize the work groups. Such "Re/OrgIntel," as we might label it, is hard to describe without direct experience of the use of the Re/OrgSystem, but it invariably will clearly reveal what the organization chart—or, more accurately, the process step of the business unit—should be. Additionally, some other Re/OrgIntel is garnered by reviewing best practices.

Thus, AITS discovered through the various modeling processes that some of its major outputs were best accomplished on a decentralized basis. In so doing, they could service the whole enterprise much more efficiently in organization-wide needs, saving substantially on costs, while still allowing highly specialized IT services to be performed by technical people with other job duties.



Just a few notes about this structure: The Language of Work Model™ makes it clear that some needed work was not being done. Specifically, the business of IT—that is, investigating new technologies and new needs, planning, budgeting and coordinating efforts was not being performed in an organized fashion. The new structure created a unit that approached IT from a business perspective. This decentralized group also served as a project management office so that new initiatives could be managed centrally after approval. In addition, it was clear that an expert in emerging technologies possessed a different skillset from a good administrator of a current IT unit. The new structure therefore demonstrated the need for a Chief Technology Officer whose job included ensuring that AITS was prepared to adopt new technologies as they became generally available.

Another need the models revealed was that of providing consulting services to various scientific and engineering offices within the agency. Until the reorganization, the centralized IT function provided little support to line departments. They therefore had created a mini-IT unit themselves, or were accustomed to using very expensive talent (usually PhDs in scientific areas) to replace paper, order and install new software and hardware or repair broken servers. In the new structure, scientists only serviced science-based technology. Technology common to all was serviced by the newly structured centralized IT department.

You see three decentralized IT units on the chart of the business unit future process steps, above. Because these three units had technology that was different from that of most other units in the enterprise, it was determined that they would keep a small IT function within their departments. The rationale was that the centralized IT department would serve units which had similar needs across the organization. Decentralized units would service others only when there was unit-specific technology in those units.

Once the new (TO BE) business unit process step has been identified, the third step of ORGANIZATION is then to identify the various management role needs, although some become apparent as the alignment of work unfolds. As with all the operational, technical and support jobs already modeled in the Re/OrgSystem, management jobs are then modeled using the same six-element Language of Work Model™. These management jobs are for work groups or across work groups that clearly need to be managed, and the model shows how. A manager's job will be defined to reflect how he or she should facilitate individuals and the team, as well as their interaction, as needed, with other work groups. Management job models provide a very clear way of giving meaning to how to coach, schedule, give feedback, review job performance and the like. They also provide insights into how to ensure inputs provided by other units are timely and well used—especially, how to manage what has become known as the "white space." Executives will see clearly how managers facilitate work more effectively and in alignment with the different levels of the enterprise.

In summary, from the overall description and illustration of the sample enterprise in this chapter, it should now be possible to see that the Re/OrgSystem is a highly systematic process. It organizes by modeling through and aligning succeeding work execution levels. This should clearly demonstrate the fallacy of the more common way of beginning a re/organization by designating work groups or by any of the previous means first described in Chapter 1. Such arcane methods of re/organizing give rise to much of the jockeying for position that currently undermines every organization we have consulted with. Rather than guessing what the enterprise should look like, we use a careful analysis of work elements and alignments. All work needs will be well understood and connected to meet the desired consequences of the enterprise. Work cannot be confusing, inefficient, unclear or unrelated to common ends and still provide optimal service to clients. To succeed, a business cannot have various groups at odds with one another.

Chapter 9: Aligning Organizational Support:

We conclude the Re/OrgSystem with what it takes to ensure and align a healthy culture in support of work execution. Without such support, work execution cannot reach its maximum potential. A *Work Support Matrix* will bring your enterprise to work alignment and a continuous healthy culture.

Fifth: Identify and Align the Organizational Support

A wise colleague once stated that any good process can be negated in its effectiveness and/or efficiency by a negative work culture. We all know this to be the case. Most of us have worked in companies that are toxic in one form or another and experienced how work suffers as a result. For example, there is the manager who has to have everything done his way. Or the resources that we need to do our job are slow in coming from the outside vendors or from poorly trained individuals internally. Or there is no mechanism for making suggestions. Goals are poorly communicated, and the hierarchy is a "good-old-boys" network. Or a career path is nonexistent. All of these and many other environments have to do with the culture of an enterprise or what we will label here collectively as ORGANIZATIONAL SUPPORT. For more details on these and other situations that demand interventions, you might want to look at our book *Intervention resource guide: 50 performance improvement tools* (Jossey-Bass/Wiley, 1999).

As we describe here how to organize or re/organize an enterprise, we don't want you to do careful analyses to define and align work execution and then have it not be effective because the enterprise doesn't provide a healthy work environment. Thus, enterprises need to periodically, if not continuously, conduct due diligence. As a previous analogy noted, due diligence ensures we have healthy water for our swimmers, divers, water polo teams and the like to swim/work in. Otherwise, continuing the comparison, they will perform poorly and may even drown.

You can think of ORGANIZATIONAL SUPPORT as all the things an enterprise puts into place so that work execution can be as effective and efficient as possible. It's a series of permanently implemented interventions provided by the company to support accomplishing work at various levels. You would not, for example, send an engineer out to do his or her work without the technological tools, management support, skills, training and so forth needed. You would not decide on a core process for an assembly line without the latest hardware or software to support it. Neither would you think of forming your business unit level without objectives, strategies, mission/vision and the like. These, and many other work facilitation needs, are all aspects of organizational support and, when done or provided well, represent a healthy organization. By contrast, if you decide to ignore these support considerations, provide them at minimal levels or don't continuously attend to them, you must accept that performance will not be at the levels you desire for yourself as an enterprise or for the customers you serve.

Organizational support also applies to decisions governing the acquisition and retention of appropriate personnel. Just pay an engineer minimum wage and see what effect that has on your entire enterprise.

Every fair-sized business will require varying degrees of organizational support. Operationally, the administration of these support items usually manifests itself in departments (e.g., Human Resources, Labor Relations, etc.) that coordinate/deliver such support. Other facets are directly in the hands of management (e.g., hiring); still others, by workers with one another or by teams (e.g., quality circles). You might have or need a Human Resources group to handle organizational support related to hiring, training, career development, performance review and benefits, all of which support work execution. You would not want—though most enterprises do—to determine the scope and provision for such organizational support without knowing the scope and purpose of the work to be executed. That is why we first emphasize defining and aligning work execution. Only then can you define, provide for and improve the organizational support.

As it turns out, for all the complexities that organizational support can involve—and there are many—identifying organizational support needs and problems is rather easy when you use the Language of Work Model™ to do your re/organization. That's because the Language of Work Model™ uses the same six-word work paradigm for this identification as it uses to define and align work execution. In the Language of Work Model™, we have arranged organizational support needs as they relate to business units, core processes, jobs and organization. As an example, the table below shows the organizational support interventions that are typically needed at the jobs level:

TYPICAL WORK SUPPORT: JOB LEVEL

INPUTS	GOVERNANCES	PROCESS STEPS	DELIVERABLES	CONSEQUENCES	FEEDBACK
CLIENT NEEDS & RESOURCES	***WORK INFLUENCES***	***WORK METHODS***	***JOB DELIVERABLES***	***INDIVIDUAL RESULTS***	***CONFIRMATIONS & SELF ADJUSTMENT***
1. Assignments 2. Boss/Organization 3. Equipment/ Facilities 4. Goals & Objectives 5. Identified Client Needs 6. Job Description 7. Strategy	1. Attributes 2. Benefits/Pay 3. Budget 4. Ergonomics 5. Employee Handbook 6. Ethics 7. Policies 8. Safety 9. Schedule 10.Workload	1. Career Development Plan 2. Documentation 3. Performance Improvement Interventions 4. Skill Maint./Devel. 5. Succession Planning 6. Work Flow 7. Work Tools	1. Job Models 2. Individual unit: • Knowledge • Products • Services	1. Customer Satisfaction 2. Job Satisfaction 3. Personal Satisfaction 4. Ties to Work Group	1. Dialogue 2. Internal Client Evaluations 3. Performance Appraisal 4. Rewards & Recognition 5. Turnover

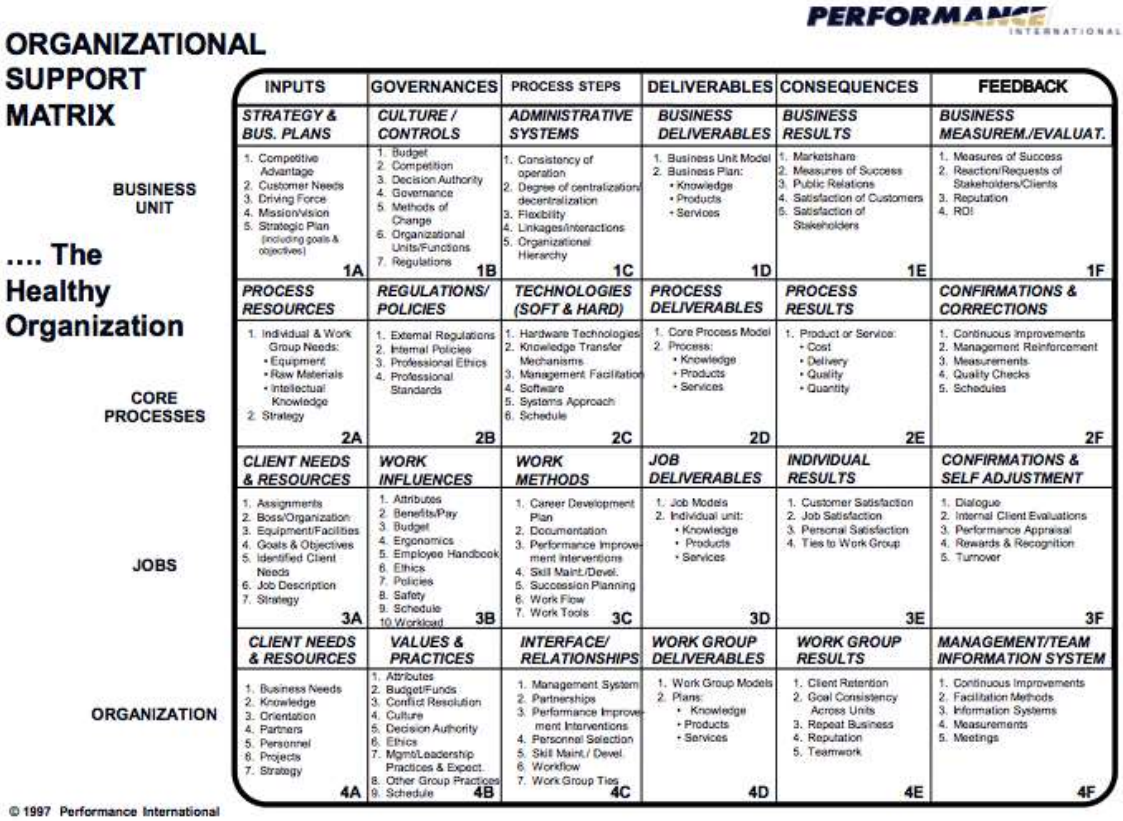
You see listed a number of provisions to support work execution of jobs. For example, for the process steps element you find such items as:

1. Career Development Plan
2. Documentation
3. Performance Improvement Interventions
4. Skill Maintenance/Development
5. Succession Planning
6. Work Flow
7. Work Tools

Having support designated as work flows and work tools would obviously help better execute job processes, use of inputs, adherence to governance, and promoting feedback. This is also true of provisions for maintaining job skills, such as training and other performance improvement interventions.

On a more long-term basis, when the enterprise provides career development opportunities, it supports long-term commitment to the workforce and management in the enterprise so that employees are less likely to jump ship. As you review the various interventions of organizational support at the job level, you can see that these and perhaps other provisions of support need to be constantly attended to if you are to have a healthy organization for work execution. This is what we mean by due diligence—to pay continuous attention to the work environment.

Below is a chart of what we call the Organizational Work Support Matrix. It's a summary of most of the things that need to be attended to in an enterprise to have a healthy organization. It's organized around the four work execution levels on the vertical axis and, on the horizontal axis, the six elements that comprise the Language of Work Model™. Thus, at the intersection of these axes are listed the kinds of interventions that need to be in place and attended to. You can add others or tailor the matrix as it would best apply to your enterprise and specific work environment. Note that each box is labeled with a reference number (e.g., B2) to provide an easy reference to a set of interventions at a given work level (i.e., 2 is for core processes) and work element (B is for governances).



Generally, the best and easiest way to utilize the Organizational Support Matrix is to do assessments of organizational support needs while defining work models at the four levels of work execution. One should also conduct ongoing periodic assessments as the enterprise goes about its business. Thus, at the end of any modeling session in which you have modeled business unit, core processes, jobs or work group models, you can ask questions and make observations that assess current and missing organizational support. For example, when we have completed the facilitation of a job model, we ask the assembled group of exemplary performers, "What it is that the enterprise could do better to support the work you trying to accomplish as depicted in the job model you just defined?" In other words, while the work itself is clear and agreed to in the minds of this group of workers (and/or managers), and agreed to as the "work," we are asking what else could be done or what could be done better? The "verbatim" answers, as we call them, illustrated below, identify trends about what support isn't the best it could be or is simply missing:

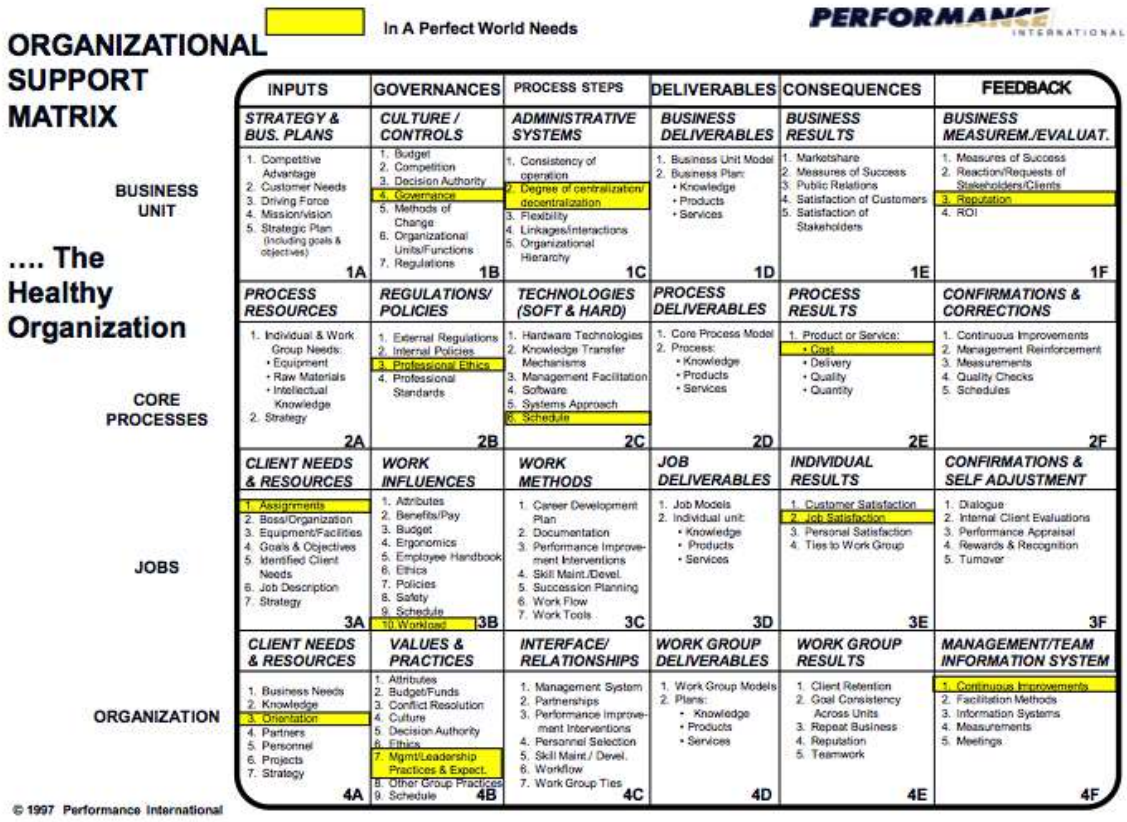
"In A Perfect World" Verbatim: Legal Advocates Example
(sample comments at different work execution levels)

Work Level	Verbatim Comment Made by Workers	Organizational Support Category
1A5	Strategic Plan needs updating	Strategic Plan
3C7	Better templates needed for boilerplate	Work Tools
3C7	Outdated templates	Work Tools
4A3	Reason to attend orientation needed	Orientation
4A3	Post-orientation checklist needed	Orientation
4A3	Orientation: schedule, invitation	Orientation
2C2	Better database	Documentation
3F1	Communication with network of attorneys needed	Dialogue
3A2, 3C6,4C1,4B7	Access to Exec Director needed	Management Facilitation
3B10	Attorneys feel overloaded	Workload
3A1	Pro bono attorneys want more say in assignments	Assignments
1B3	Clear lines of responsibility/authority needed	Decision Authority

(continues)

As an ancillary form of further data gathering as modeling occurs, an attentive facilitator will note comments and complaints by individuals about what's not being adequately supported. You can note these on flipchart paper and park them there for future inclusion with the verbatim collected at the end of modeling sessions. Additionally, as the models are shared with others in the enterprise for their buy-in, you can elicit their verbatim on what needs better support in the business.

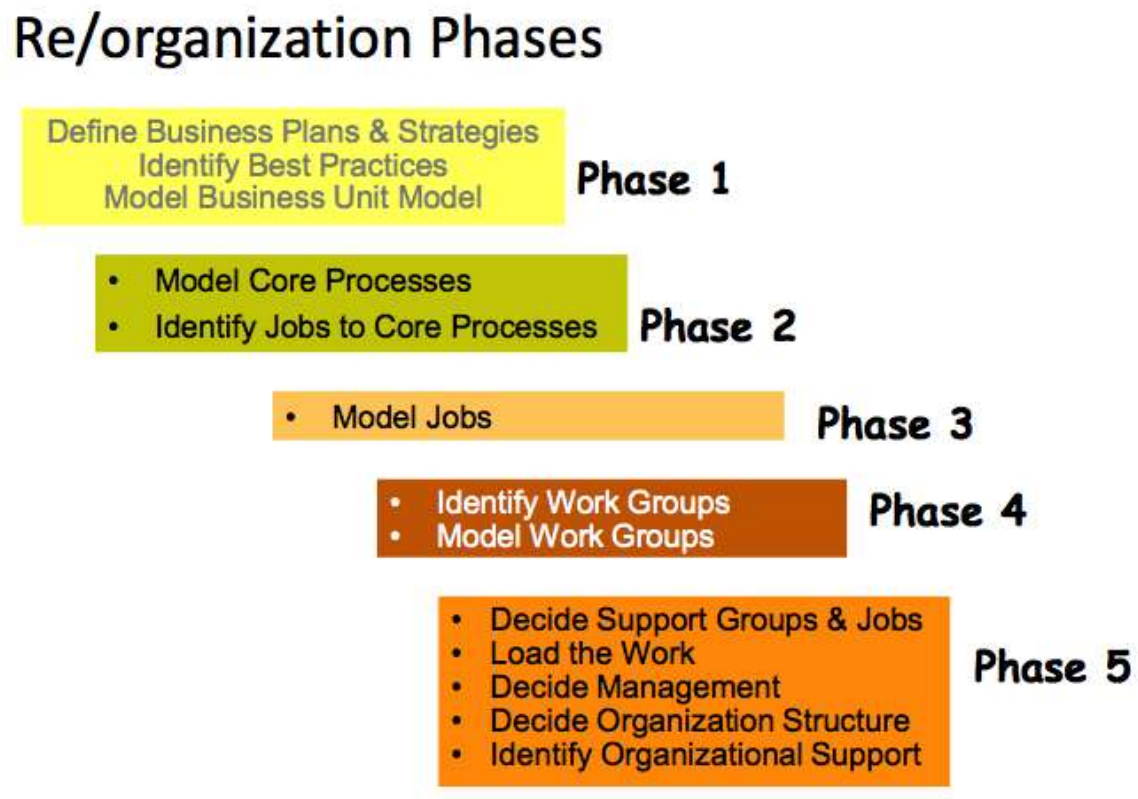
As illustrated below, these sources of verbatim will accumulate from one modeling session to another and as they are contributed when the models are shared. You will be systematically gathering the organizational support data that needs to be acted upon. You will begin to note trends and frequency of certain comments and code them to the Organizational Support Matrix. We use a version of our work support Excel spreadsheet to enter the data and sort it for trends.



Above you can see color-coded areas of organizational support on the matrix that represent what especially needed attention in the ATIS enterprise, according to the verbatim that were collected. Those coded in yellow are for improvements that stem from an analysis of the verbatim in terms of their frequency and what items of organizational support (e.g., lack of good job descriptions) need improvement or are simply lacking (e.g., career development opportunities). The matrix becomes part of an easily grasped report to management showing where the organization is weakest and how its weaknesses impact work execution and client satisfaction.

The Organizational Support Matrix can also be used, after modeling has long been completed, to look systematically at what support does or doesn't exist and how it can be made better. It is used as a kind of checklist of support items to be periodically reviewed by management and others (e.g., an HR Department) for suggestions. The positive effect this will have on overall organization and re/organization will be to get and keep the cultural aspect of your enterprise organized the right way.

Chapter 10: Getting Started



The summary above shows the linear phases for re/organizing an enterprise.

> Note: Each of the previously identified five stages of the Re/OrgSystem is embedded in parallel with the five phases outlined here. Additional re/org needs for each phase are added for completeness of a typical re/org, such as defining business plans and strategies, identifying best practices, loading the work and so forth.

The re/organization of an enterprise does not have to be all or nothing. Re/organizing one troublesome department for a start will pay you immediate dividends and get you used to what it takes to facilitate and gain acceptance of the Re/OrgSystem. Of course, doing the whole of the enterprise allows you to align everything as one cohesive business aimed at achieving maximum service to your clientele and profit to your business, but an enterprise-level re/org is not required to begin gaining familiarity with and faith in the Re/OrgSystem.

When faced with a skeptical enterprise that doesn't want to do a major re/org, at a minimum we have often suggested that an enterprises at least model the jobs. Besides the fact that current job descriptions, if they exist at all, can be rather useless, job models are highly functional in several different ways (e.g., better performance reviews) that have been previously alluded to. Job models get everyone more organized, giving each person a better handle on what their work is, how their job relates to other jobs, and how management can monitor, assess and improve individual work. All these are paramount

to an efficient and effectively operating company. This is all to suggest that you can start to become better organized anywhere in an enterprise. At a minimum, we recommend that you do one work level to increase work execution or, at the organizational support layer, to improve the overall culture of the enterprise.

The Re/OrgSystem Phases chart at the beginning of this chapter illustrates a complete re/organization at all levels and one layer (see Langdon for additional layers) in an enterprise. As we have emphasized repeatedly in this book, your enterprise must have completed the foundational business plans and strategy first, to make clear where your enterprise is going and what it wants to achieve as business targets. Only then can you proceed to organize or re/organize your enterprise. You may have noted, by the way, that these foundational elements at the business unit level are to be found in the Organizational Support Matrix. Review what is found there, especially as business unit inputs (1A) and governances (1B).

The following is a summary of the five phases that help you orient others to your re/org and help get started righting the enterprise.

Phase 1

Depending on the size of the enterprise, you start work execution modeling with either the business unit(s) or a combination of business unit/core processes. This is where you first employ the Language of Work Model™ to operationalize WHAT the enterprise will do to achieve its foundational business plans and strategies. The 10-Minute Teach will quickly introduce the management team (six or so representatives) who will be modeling the WHAT of business. It should not take any more than perhaps a day to complete this modeling, which can then be shared with others for input, buy-in and revision as needed. We advise that you utilize the services of an internal or external master facilitator to keep modeling on track and avoid the disruption caused by personal agendas and politics, while preserving efficiency of the modeling task at hand. We also recommend a second facilitator to do data entry and manage the overall administration of the re/org. An available compendium e-book, the *Facilitator's Guide to the Language of Work ReOrgSystem*, details for your internal personnel how to facilitate an effective re/organization.

Phase 2

In Phase 2, we emphasize the modeling of core processes as the HOW of enterprise work aligned with the WHAT, and subsequent naming and identifica-tion of the jobs (current or future) to actualize (align and operationalize) the core procedure steps. At this point, these are the professional and/or technical jobs needed to do the work. It is only later, in Phase 5, that support and management jobs will be identified and modeled. The predominant composition of the team modeling core processes and identifying jobs should be operations personnel who are known as exemplary managers. This is also a good place to invite an outside expert in any of your core processes to share advice on best practices in the industry. In general, we recommend that you seek their advice on how better to conduct your core processes as you model them, rather than seeking to have the expert model the processes for you.

Phase 3

In Phase 3 we model all the professional and technical jobs—the WHO—identified in Phase 2. These are best modeled by exemplary job performers within your enterprise. You know who these people are and can arrange for 4 or 5 of them to meet with a management representative or sponsor from the core processes modeling team. Together, led by facilitators, they can construct a job model in about 4 to 6 hours. This also usually includes specifying skills, knowledge, and attributes of the job for future use as a more functional set of job descriptions in the enterprise. The difference between these and earlier job descriptions is that these are more operationally work-oriented and thus can be used to hire, improve, plan and change work as needed. In large part, job models will also serve to orient the workforce on an individual basis as to the way(s) in which you intend for them to be re/organized at least in terms of what they must do, but not who they will be organized with (teams—see Phase 4) or how they will be managed organizationally (see Phase 5). The six elements of work execution defined in job models are aligned with the previously defined six elements of the business unit (WHAT) and core processes (HOW) to create the WHO of work.

Phase 4

In Phase 4 you identify and model the work groups or teams that will function exclusively within their own sphere or across organizational boundaries with other teams, jobs and/or vendors and clients. These teams or work groups are determined by the same management team that modeled the core processes with further details integrated from the already completed job models. Work groups should be modeled by exemplary performers representing the various jobs that will comprise a team model, with the aid of a sponsor from the core process modeling team, and facilitated by the re/org facilitators. Most work groups can be modeled easily within a day.

Phase 5

By the time Phase 5 is ready for development, the re/org is practically done. The organization phase includes re/org considerations for the identification and modeling of support personnel, functions/teams and management jobs, developing and revealing organizational structure (chart), and identifying organizational support needed to ensure a healthy organization to execute work. Under most circumstances, an overall implementation plan for the re/org is planned as well.

Following these 5 Phases using the Language of Work Model™ will result in a successfully re/organized enterprise.

Other Enterprise Uses of The Language of Work ModelTM:

> Technology Changes and Process Improvements

> New Business Start-up Modeling

> Training Needs Identification

> Identifying Performance Improvement Needs

> Achieving an Integrated Human Resources System

> Enhanced Problem Solving

> Using Job Models Instead of Job Descriptions

> Mergers and Acquisitions

> How to Achieve Outsourcing

> Competency Modeling

> Conducting Meaningful Performance Reviews with Employees

> Conducting Cultural Due Diligence

> Linking Jobs To Process Changes

For resources on the above and other applications of the Language of Work Model, check these website links:

www.performanceinternational.com or

www.job-modeling.com

For the 10-Minute Teach: http://youtu.be/N8bFaj3bfFY

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Johnilee Whiteside, an associate of Performance International, is an Organizational Performance Improvement professional who has worked leading change in numerous organizations. Utilizing the Language of Work™, Johnilee has successfully transformed organizations, jobs and work groups resulting in greater efficiency, quality and profitability. Johnilee's background in Psychology and Masters Degree in Instructional and Performance Technology make her an emotionally savvy change agent, leading organizations through the reorganization process with transparency, clarity and integrity.

APPENDIX

Please note that some of the terminology used in the case studies differs slightly from that used in this e-book. However, you can readily translate one set of words (e.g. Work Support for Organizational Support) to derive the meaning of the case study description with little difficulty.

CASE STUDIES

The following case studies are included in the *Righting the Enterprise* for illustrative purposes and to further describe how the Re/OrgSystem was used to re/organize representative enterprises.

> AQUA Company:

o A major utility's IT department was in disarray. Our analysis showed how to fix it

> Life Insurance

o Changing from a failing organization (dropping market share and profitability) demanded wholesale changes in purpose, processes and people. The Language of Work(tm) was the selected tool for a complete makeover.

The following, other case studies may be accessed free of charge on our website:

www.performanceinternational.com/about/articles-case-studies/

> Student-Centric College Services

o A junior college's losing enrollment needed to become student-centric to attract and retain non-traditional students

> Defense Contractor

o A major player in the defense industry changed its Marketing strategy; what jobs, skills and competencies were now needed to fulfill its mission?

> Government

o The privatization experiment went horribly wrong because of cultural issues. How could they be identified and fixed?

> Hi-Tech

o Increased cyber threats required a more sophisticated IT Security team.

> Life Insurance

o Changing from a failing organization (dropping market share and profitability) demanded wholesale changes in purpose, processes and people. The Language of Work(tm) was the selected tool for a complete makeover.

> Major Utility

o Long outages of electricity had everybody upset with the utility. The Language of Work(tm) brought many warring agencies together to plan for smooth responses to weather emergencies.

> New Enterprise

o An entrepreneur with world-wide vision used the Language of Work to understand, communicate with and manage a network of disparate enterprises.

> Nursing Services

o New president needed to consolidate services over a two-county area. Analysis with the Language of Work(tm) made for rational decisions that consolidated and dispersed programs appropriately.

AQUA Company

The Information Technology (IT) Department at a major water utility had grown like topsy-turvy over a ten-year period, losing credibility with clients and senior management because of its expensive inability to deliver on a promise to develop its own enterprise-wide software. In desperation, after spending many millions of dollars on a non-deliverable, senior management purchased and installed a commercial ERP (SAP) software package. A unit was created to tailor and install the new software, which did not report to the centralized IT department.

A survey showed that 250 people performed IT functions within AQUA, but fewer than 100 reported to the centralized IT unit. The others were spread over several operating departments, and the SAP unit. In other words, like many organizations today, IT was both centralized and decentralized. Senior management wanted to know whether this was the optimal organizational structure; if not, why not, and how any new, proposed structure would compare to other similar companies.

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AQUA Company Reorganization of IT Function

Background

The AQUA Company - a real government water utility, for whom we have given a fictitious name - delivers water over an aqueduct to millions of municipal customers. This agency also provides dam safety enforcement, flood control information and service, coordinates with fish and game agencies and ensures that a number of fish and fowl species are protected.

The work of the agency is a combination of government protection of a resource that needs to last for hundreds of years, and the rapid delivery of water at affordable prices from a series of dams that covers hundreds of miles of farmland. Information Technology is used in many of the agency's departments, including the all-important water delivery system. The biggest user is in Operations and Maintenance, which carries the water from a number of dams, into power plants, through the aqueduct and over mountains for final delivery to municipalities. Elaborate monitoring and control systems (called SCADA) requiring IT support are key parts of the business. This work requires close monitoring and coordination of water supplies with another agency that buys and sells electricity. Over time, a LAN, a WAN, a telephone and mobile radio service, video surveillance and now, SAP had been developed to support the work.

Over the years, the IT department became more and more isolated from the operational units, so that the O&M department had its own software laboratory, data center, and programmers. Centralized IT supported the LAN, the WAN, and the communications systems, while SAP was all decentralized.

The agency was content to "let sleeping dogs lie" until its chief customers determined the proliferation of services to be expensive and inefficient. They were tired of paying for services that did not meet their needs.

An IT governance committee had been appointed as a result of an earlier study. This committee decided that it needed to examine the organizational structure. They put out a Request for Proposal, appointed a project manager, and initiated a study.

Organizational Profile

Industry: Government Agency

Key product: Affordable water

Context: There were 250 employees in various IT functions, with titles and pay that varied widely. Many employees were of long service. Morale was moderate; people knew changes were coming, but did not have a vision of what it might be.

Industry Profile

This organization can best be compared with the Tennessee Valley Authority. It is both a state agency and a water utility, in a state that gets relatively little rainfall. Water is needed for the agriculture of the state and some residential areas.

The number and types of people required to support a water utility include many entry level types, people who have "grown up" in the business serving as supervisors; engineers, programmers and data management types, and general staff to support the employees.

Key Players

Job Title	Status	Background
Deputy Director	Internal	Executive in charge of IT functions
Water Board IT Committee	Customer	Group of customers who meet regularly to shape IT policy and ensure responsiveness.
IT Governance Board	Internal Management Group	Senior representatives of all major functions; newly formed; unclear about process and scope of work
President of IT Governance Board	Rotating Appointment	Regular member of IT Governance Board
Oversight Committee of the IT Governance Board	Internal	6 major IT users who were also members of the IT Governance Board
Director-Centralized IT	Internal	Been in job for approximately 15 years; had lost credibility with his boss; well enough liked, but had not delivered on promises to develop new software

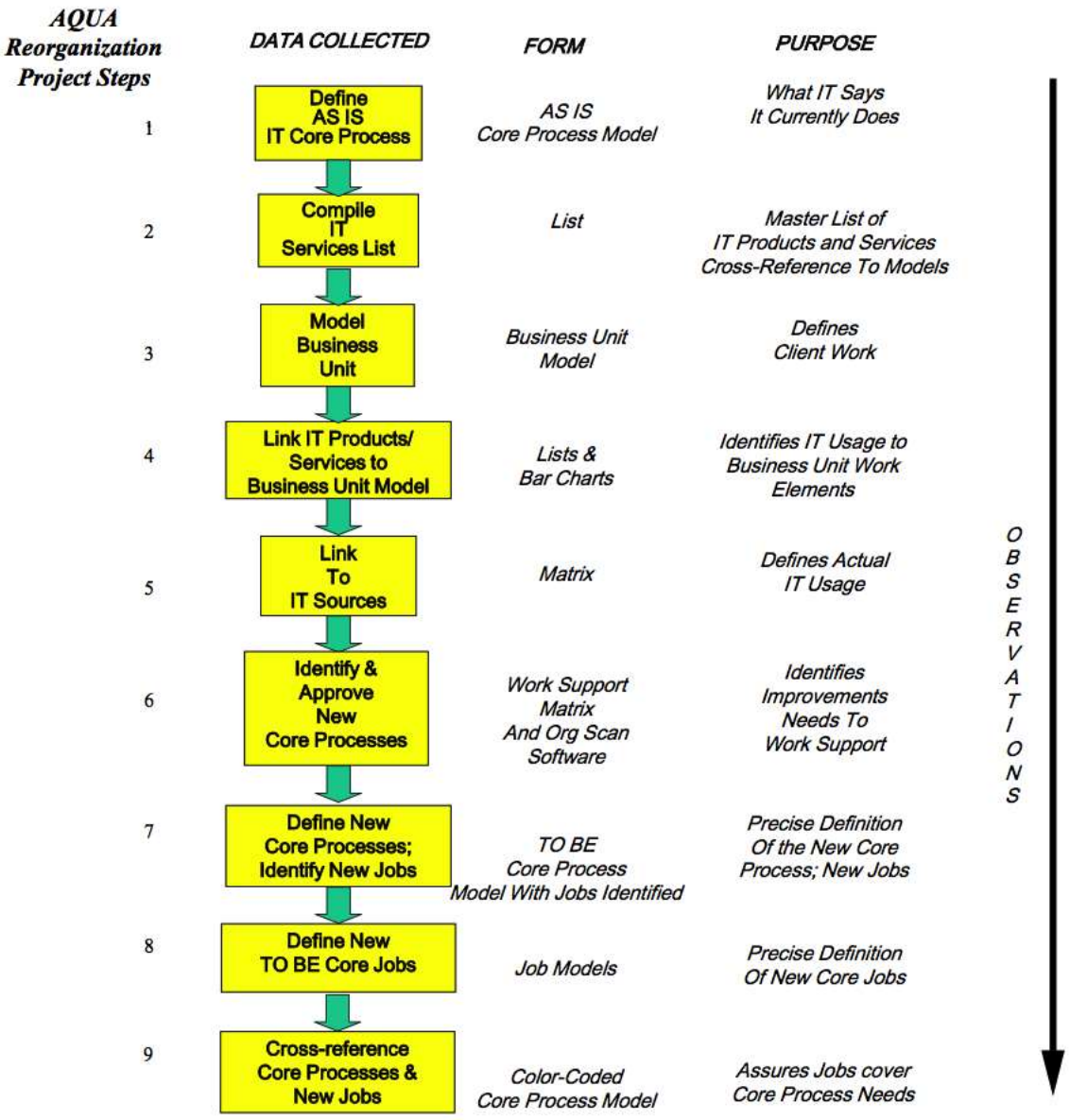
Project Manager	Internal	A trained civil engineer given this assignment after successfully solving Y2K problems in two agencies.
Technical Experts	2 External Consultant	Excellent background in information technology; SAP implementations; experts in Change Management
Process Consultants	2 External Consultants	Authors of case study; background in HR, TQM, training, reorganizing and process improvement—experts in performance (technology) improvement

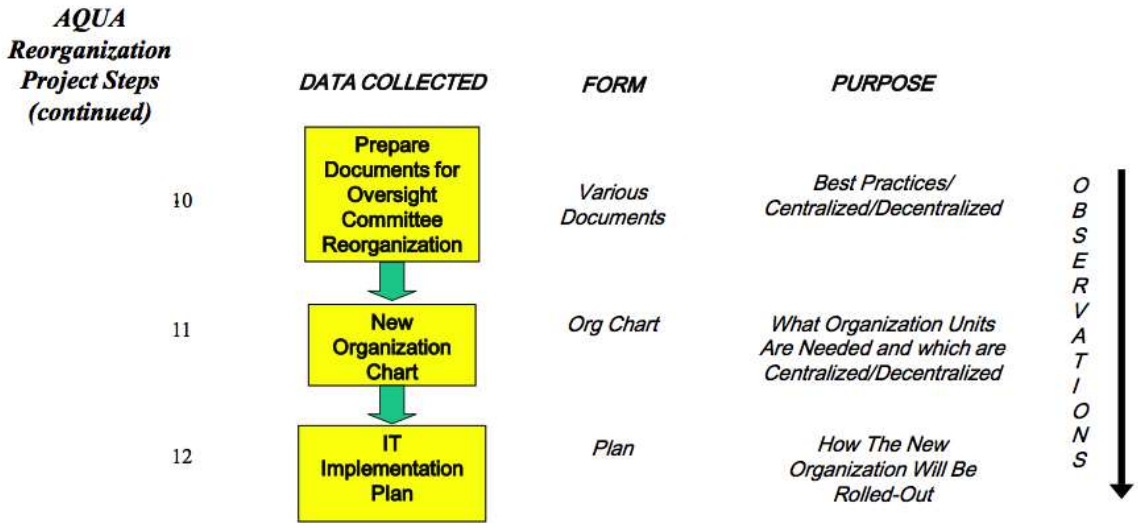
History of Key Relationships

The PI consultants worked closely with the IT Governance Board - making bi-weekly progress reports, and asking advice as needed. Most relationships among the department heads were cordial, although some tension was reported privately. The installation of SAP had not been smooth, and was changing the way the organization did its work. The current director of the centralized IT function was reassigned during the project, leaving his slot open for a new appointee. An internal project manager for the organizational study was appointed to coordinate all consultant activities and meetings with the oversight committee.

Overview: Reorganization Project Steps

(See Flow Diagram next two pages)


AQUA
Reorganization
Project Steps
DATA COLLECTED
FORM
PURPOSE
1
Define
AS IS
IT Core Process
AS IS
Core Process Model
What IT Says
It Currently Does
2
Compile
IT
Services List
List
Master List of
IT Products and Services
Cross-Reference To Models
3
Model
Business
Unit
Business Unit
Model
Defines
Client Work
4
Link IT Products/
Services to
Business Unit Model
Lists &
Bar Charts
Identifies IT Usage to
Business Unit Work
Elements
5
Link
To
IT Sources
Matrix
Defines Actual
IT Usage
6
Identify &
Approve
New
Core Processes
Work Support
Matrix
And Org Scan
Software
Identifies
Improvements
Needs To
Work Support
7
Define New
Core Processes;
Identify New Jobs
TO BE
Core Process
Model With Jobs Identified
Precise Definition
Of the New Core
Process; New Jobs
8
Define New
TO BE Core Jobs
Job Models
Precise Definition
Of New Core Jobs
9
Cross-reference
Core Processes &
New Jobs
Color-Coded
Core Process Model
Assures Jobs cover
Core Process Needs
OBSERVATIONS



Description of the Initiative

The project involved the following deliverables:

- New To-Be IT Processes
- To-Be Jobs, including appropriate staff levels and skill assessment of current staff
- New Organizational Structure, including reporting relationships, and roles and responsibilities
- Short-term Implementation Plan
- Five-Year Strategic Implementation Plan

The client was intrigued with the possibility of building a new IT organization structure using a systematic process that examined the work of the agency in order to determine the proposed structure, and which included elements of change management. The client also desired a small consulting organization, rather than a big-six firm, in order to optimize experience of the facilitators and methodology, while containing costs.

The proposal by PI suggested initial development of process maps (using PI's Language of Work Model) for the various (As Is) existing IT functions throughout the organization. Then business unit maps would be developed with all the clients or users of the IT processes delivered. Clients would cross-reference their use of IT products and services to their processes to ensure an alignment between the work and the IT processes. Finally, customers would be invited to "vent" their frustrations and needs by telling the facilitators of their expectations of IT. These comments would identify the "work support" needed for the IT To Be core processes, jobs and organization structure that would emerge from the project. See "Aligning Performance: Improving People, Systems and Organizations" (Langdon, John Wiley & Sons, 2000) for a description of alignment and work support.

The Oversight Committee selected the consultants from the proposals submitted. They chose Performance International (PI), through its strategic partner, New Millennia Ltd.

The two firms married the technical expertise in IT and change management with the systematic processes included in Danny Langdon's book mentioned above. Langdon is a founding partner in Performance International.

Key Issues and Events

This re-organization report had to be completed in a 120-day time frame. Thus, the key events were:

Event	Purpose	Participants	Outcome
Contracting with external resources	To ensure expertise available	Project Manager and IT Governance Board Oversight Committee	Resources available for project
Planning and Orientation	To ensure that the consulting team was oriented to the organization, including budgets, mission statements, personnel allotments	Project Manager Consulting Team	Team was oriented to organization
Project Planning	To make the tasks and challenges visible	Consultants Project Manager	A 120-day plan ensured that most people affected would participate in the process.
Project Execution Phase 1	Develop models of IT current processes	Consulting Team and 8 groups of IT managers and specialists	All IT deliverables were identified, regardless of where they were offered
Project Execution Phase 2	Develop models of business units that used IT processes	Consulting Team and 40 groups of managers and specialists	Work identified; support by IT mapped to processes used by clients; work support needs identified
Project Execution Phase 3	Development of new IT processes	Consultant Team and Internal IT experts	8 core processes were identified and mapped
Project Execution Phase 4	Development of new IT jobs	Consultant Team and Internal IT experts	11 jobs were identified and modeled, including skills and knowledge needed for each
Project Execution Phase 4 continued	Creation of new IT organizational structure	IT Governance Board Oversight Committee members, Deputy Director and Consulting team	New structure was determined based on the client served; IT groups serving only one client would remain de-centralized. Those serving multiple customers would be centralized.
Phase 5 Implementation Plan	Plan for ensuring that the re-organization would "take."	Consulting Team	In progress

Project Process Description

Once each group had met with the consulting team to develop a process, business unit, or job model map, and the maps and models had been revised at least once, the results were posted onto an internal web-site for reference and discussion. This allowed everyone in the organization to participate in the work and to check on the progress to date.

The consulting team had promised the Oversight Committee that the Committee would be making their organizing decisions, not the consultants. However, the consultant's job was to develop, through facilitated sessions, the information in such a way that they would indeed be able to reveal and make the decisions. This direct involvement, posting of the maps, and bi-weekly up-date meetings allowed the Oversight Committee of busy executives to experience and understand the process and see the data as it accumulated.

In order to define the business of the agency, and to describe the core IT Processes, each facilitated meeting covered the following:

- Determination of the key ***outputs*** of the Core IT Processes and each business unit.
- Identification of the ***consequences*** of each output, coming to understand the purposes of the business or core process and how IT supported those purposes.
- Identification of the ***inputs*** required to produce each output of the business or core process, helping to create an understanding of a highly technical subject by lay people.
- Description of the key ***process steps*** needed to get the outputs that would allow the business to efficiently function. These added to the understanding of both the business and the technical support it needed.
- Articulation of the ***conditions*** under which the business is run. Because the utility is also a state government agency, the number of conditions that needed to be known and attended to was quite astounding.
- The ***feedback*** that would tell the business unit and the IT process it was doing a good job, and how to correct what needed correcting.

With the AS-IS Core IT Processes mapped and the business units mapped, and a correlation between the two established, the Consulting Team determined the 8 core IT processes that the business required in the necessary TO-BE state. They were:

- End-User Service
- IT Support Services
- Network and Communication Support
- IT Business Systems
- IT Consulting Services
- Flood Control IT
- Applications Development
- O&M IT

These TO-BE Core IT Processes were then modeled, using employee experts from various units. Then the current jobs being used to fulfill the processes were identified and linked to the TO-BE Processes. After review, the consulting team determined that 11 generic jobs were needed to fulfill the work of the TO-BE Core IT Process. They were:

- Business analyst
- Data administrator
- Data center operator
- Help desk
- IT analyst
- IT administrator
- IT Professional
- IT Specialist
- Programmer
- Systems analyst
- Technician

Over a six-day period, 11 jobs were modeled. For each job, the participants built a list of skills and knowledge needed to perform the job. This list was then supplemented by research that added some 5% to the generated list of skills and knowledge.

Progressive Disclosure

It should be noted there was a progressive disclosure throughout the project. First, understanding the key IT processes and how they linked to the work of the agency created clarity and consensus of purpose for the lay managers. These findings were summarized and posted on the internal web site, as well as presented and discussed with the Oversight Committee, meaning that the whole agency was getting a vivid picture and agreement on its IT investment. When the 11 core processes were subsequently identified, they again provided insight and consensus. Administration is a core process, as is application development. The fact that different things are being administered (systems, data bases, etc.) or different software is being developed (causing different names for similar processes) is not very relevant. When the typical job names were linked to the parts of the core process each job performs, new insights and consensus again emerged. Often the proliferation of names in the IT job world confuses others. Condensing the job names to the core 11 allowed them to be seen more clearly by incumbents and others. This progressive revelation (from business units to core processes to job to the organization structure and work group map) of information, in a systematic and orderly way, allows the focus of attention to move away from the differences toward the similarities and consensus within the work. When these similarities were seen, it became easier to think in terms of needed performance improvements and to reduce the silos separating each group from the others. The new organization structure emerged with great clarity; staff had indicated a great commitment to a more business-like approach to

technology work within a short period of time. Indeed this form of revelation became not only a means for determining the best new organization, but also served as an intervention for bringing about the change and commitment needed.

Models and Techniques

The model used for the re-organization effort was The New Language of Work as described in Langdon's book, Aligning Performance: Improving People, Systems and Organizations.

The techniques for the data gathering included the use of a "10-minute Teach" which taught the model to the participants, a job aid for reference during facilitation sessions, two facilitators—one for process and one for IT content—and the use of proprietary software. All material developed in the 60 data gathering workshops was printed (immediately) and handed out at the end of each session and then posted to the internal web-site for others to view (within two to three days).

The maps that were developed accomplished two key goals:

1. The work of the agency was concisely but completely described.
2. The IT work needed to support the agency in meeting its IT needs was linked graphically through the models. "Organizational scanning" data was also collected.

These goals were able to be met because a single model (The Language of Work™) was used consistently for mapping agency work and IT work; business unit maps contained the same elements as the core process (and later) the job models and IT work group model. This allowed the participants, the consultants and the Oversight Committee to see the whole picture in very concrete terms.

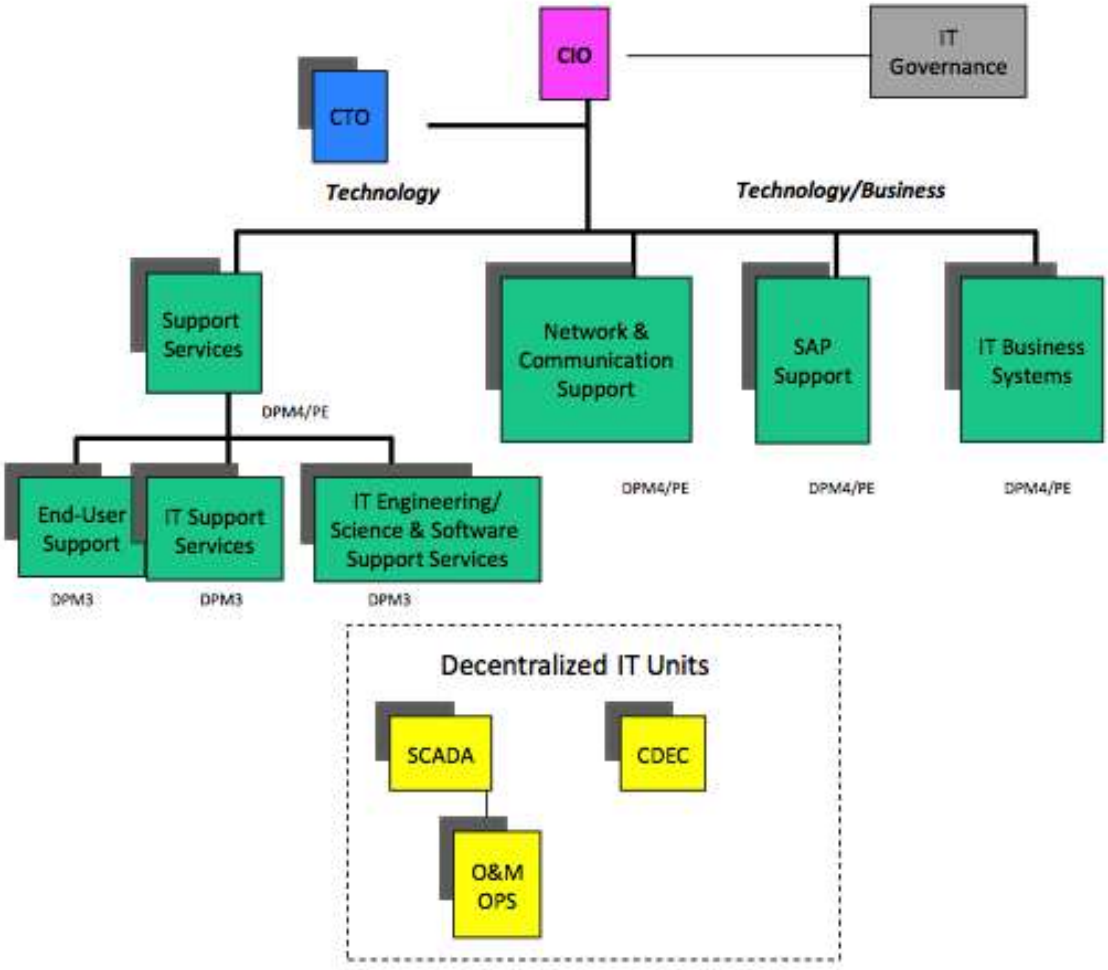
Before the final organizational structuring meeting, the consulting team met with the Oversight Committee members (all of whom had participated in other business, process, and/or job mapping) in small groups to orient them to the data, review the findings, and to prepare them to work together to develop the new organization structure. The techniques included group facilitation, establishing criteria for centralization and decentralization, sharing of Best Practices, conflict resolution methods and graphic measurement of levels of agreement.

Results

The Oversight Committee was able to construct a new organization structure for the IT functions of the agency. The new structure added new features that were needed, but had not been identified prior to the mapping. Specifically, the business of IT—that is, investigating new technologies and new needs, planning, budgeting, and coordinating efforts had not been done in any organized fashion. The new structure created a unit that approached IT from a business perspective. This group also served as a project management office, so that new initiatives could be managed centrally after approval. This eliminated a number of "skunk works" and "cowboy" projects. Another change that was desperately needed included providing consulting services to the various scientific and engineering offices within the agency. Until the reorganization, the centralized IT

group provided little support to the line departments. They therefore staffed a unit themselves, or alternately used very expensive talent to replace paper, order and install new software and hardware, and repair broken servers. The new unit provided support for all the IT related needs an operating unit might have. If the equipment was technically-based, the scientists would serve as technicians. In addition to these new units, the new structure provided a coherent clustering of units completing the core process work of IT.

When the Oversight Committee met, they were quickly able to determine that the criterion for centralization was serving multiple units within the agency. The criterion for decentralization was serving a single unit. The business reason for consolidating several units was made clear. Resistance rested with only one person, who recognized that he did not want to tell his staff that they would no longer report to a line department. The reorganization was completed in 3 four-hour sessions. Separating the CIO (Chief Information Officer) job from that of the CTO (Chief Technology Officer) was easily agreed on, based on the complexity of each aspect of these jobs. Job models for both jobs were developed after the Implementation Plan was written so that the new CIO could participate. The following presents the new IT organization structure:



The Implementation Plan was developed off-sight by the consulting team and reviewed by the Oversight Committee. A new CIO was named; he was selected on the basis of his

philosophical agreement with the new direction and structure. It is his work to implement the new structure. A number of non-IT business changes occurred while the Implementation Plan was being developed, which add to the importance of installing the new structure—in order to support new business initiatives.

LIFE Company

After years of poor management, a new president took over a division of a large insurance company which was losing market share and profitability. He knew he had a short honeymoon period in which to turn the organization around. He selected the authors to aid him because they had a good performance (work) improvement model and could work at all the levels of the organization. They worked closely with him and his management team to define the current and desired state of the business unit, the core processes, the individual jobs, and the work groups—completing all the performance improvement in 60 days.

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Case Study: LIFE Company

Background

The LIFE Company—a real Fortune 500 company, but for whom we have given a fictitious name—provides life and disability insurance products to a wide range of consumers. The division in question, GIO, provides insurance to banks, mortgage companies and finance companies, which in turn provide consumers with long-term financing of cars, boats and homes. The idea is that the financier has a vested interest in providing the insurance product, since they would be one of the beneficiaries if the loan-taker died or was disabled. From the insurance company's side, there was a qualified list of potential clients, a built-in marketing arm, and a specific need for insurance.

For ten years, this division had languished under the leadership of an executive who paid little attention to on-going business efficiencies and customer focus. No attention was paid to costs, to speed of claims payment, to difficulties that either the customers (the banks, etc.) had in getting questions answered, or that consumers had when submitting a claim. Because the parent company LIFE is such a large organization, with annual revenues in the billions, a little division with revenues of $200 million was not particularly worthy of attention by senior management.

As long as market share was stable, and noises were few from customers, the president of this division was able to send in his annual reports, take in his annual bonus, and not spend too much time worrying about his product, his company or his obligations.

No attention was paid by LIFE until market share slipped considerably, from 7% to 3% and the executive came to retirement age. In searching for a new president for the division in question, LIFE took a risk. An investment attorney who was going through a mid-life change in interests was searching for a turn-around opportunity. Since LIFE hadn't worried very much in the past about this division, they were willing to let an unlikely guy take over. Could he improve market share? Could he reduce costs? Could he reorganize the division? Could he? He, too, wondered about all these questions, and with little experience in turnarounds, but with a lot of faith in himself and answers presenting themselves, our hero, President Andy took over the division, that we will call GIO.

Andy had thought, after 15 years as an investment attorney, that training attorneys would be a good and useful experience for him. He joined the American Society for Training and Development, read every article and book he could get a hold of, and called people who wrote books he thought he might be interested in. Although 15 months of attorney training convinced him that almost any other activity could be more fruitful, Andy had learned that performance improvement was possible through systematic means.

Industry Profile

The insurance industry is heavily dependent on clerical work; some automation has occurred, but relatively little. Credit insurance, which is what this company provides, is one kind of insurance. It is based on the model of life insurance which was developed at the turn of the century for poor working people. Over time the products, marketing and

profitability of insurance has all gotten much more complex, but the same basic process holds. Products are designed, risk is assessed, prices are determined (underwriting) based on the actuarially determined likelihood of a claim being submitted, insurance products are assembled, approved by various state and federal agencies, marketed, sold, administered and claims are processed when submitted. Claims processing still depended on a hand-written claim form coming by snail mail to the claims processing office. Many pieces of paper needed to be assembled together in order to make a claims decision. This kind of insurance can be very profitable, but requires sophisticated marketing to reap its full potential.

The number and types of people required to support an insurance product include many entry level clerical types, people who "have grown up" in the business serving as supervisors; programmers and data management types, financial people who account for and invest the revenues, actuaries and underwriters, as well as marketers and managers of various functions.

Key Players

Job Title	Status	Background
President, GIO	New Hire-Internal	See above
Treasurer	New Hire-External	Hired by the President for his understanding of how to make insurance products profitable
VP-Marketing for GIO	New Hire-External	Hired by the President for his expertise in marketing insurance products
VP-Actuarial	New Hire-External	Talented in using actuarial information for business purposes
VP-Underwriting	Internal Promotion	Skilled in understanding the risks of various product lines and consumer groups; good at identifying potential problems
Director-MIS	Internal Promotion	Skilled in developing new processes and the electronic support of same
Director, Operations	Internal Promotion	Bright young woman, capable of getting enormous amounts of work done
Director-Human Resources	New Hire-Internal	Formerly in charge of hiring and benefits, needed to develop skills in job definition, outplacement and counseling
VP-Accounting	Internal New Hire	Brought back from retirement
Content Expert	External Consultant	Excellent background in finance, reengineering, insurance and product development
Process Consultants	External Consultant	Authors of case study; background in HR, TQM, training, downsizing and process improvement—experts in performance (technology) improvement

GIO has 200 employee; divided into approximately 80 jobs; 60% clerical; 10% management; 30% specialties is marketing, MIS, underwriting, claims and actuarial.

The people in the chart above were assembled in order to do the key work of turning the organization around. The directors of MIS, HR and Operations created the core team with rank and file members of the major functions; this core team was trained to define jobs, work groups, processes, and the business unit. They spent 30 working days defining all the current jobs and current processes—using the case authors Language of Work(tm) Model (see authors or HRD Press, 1995)—in the organization in order to develop a clear picture of the "AS-IS" state of the organization. This data was used to define the performance gap that needed to be filled to reach the to-be-defined "TO-BE" state. The consultants provided virtual consulting after teaching the methodology, and facilitated the marathon job modelling session.

History of Key Relationships

The newly-appointed president of GIO made it a requirement of taking the job that he be able to recruit key people for various positions. Within bounds, this was allowed. He had worked with a number of the key people labeled "new hire, external" in the table above. These people were basically "hand chosen", supportive of the president and the work he had set out to do. Although they did not know each other well at the beginning, the president was able to create a number of team-building activities, such as dinners and other events. He intuitively understood the importance of having everyone singing out of the same hymn book, typically called team building.

Although the remaining 200 employees of the company had been employed for long periods of time, some as long as 35 years, the president made it clear that unless major changes occurred in the business, the division might need to close down. While there was some denial about the future, the truth had been spoken loudly and often. Employees were urged to bid on other positions within other divisions of LIFE, to examine their retirement options, to investigate alternatives.

The GIO president reported to an executive V-P of LIFE, who in turn reported to the chairman of the company. The President of GIO was positioned to be supported in his activities, although he was expected to do the work without additional financial support from the corporate entity.

Description of the Initiative

The president needed to cut $20 million out of the cost of doing business in order to make it survive. He needed to be able to increase market share over a three-year period, but to reduce costs by 10% within one year. Since the major cost of the business was payroll, it was obvious that the way to achieve the savings would come from downsizing. But because he wanted to have a viable business at the end of the turnaround, and because he believed that the excess was caused by historically poor management, he wanted to approach the downsizing in a systematic way. At the same time, he took a pragmatic view of the budget to do the work. His position was, "If I am in the business of saving money, I need to be frugal in the money I spend to do so. My team will do the majority of the work themselves; I will hire experts who can lead us into the future, but my team will do the restructuring work."

This approach had the additional benefit of keeping all the parties well-informed about all the decisions in the project. It also afforded increased commitment to change, and many of the orientation and training processes occurred during the restructuring. Few doors were kept closed; most discussions were summarized and e-mailed to everyone so that they could keep up-to-date on the twists and turns of the project. Elevator messages were crafted in large group meetings. Thus the entire division heard the same message from everyone-the president, HR and re-structure team members. This helped to keep morale up during the re-engineering process.

Our hero and president, Andy, was not an expert in this line of business. So he knew he needed to understand what the current jobs were, and what the current processes were.

With this knowledge, and with access to fine minds, free of historical biases, he was sure he could develop the new structure, the new business and make it a winner.

His pre-planning included developing a cadre of dedicated managers, committed to his vision of the future, with the skills needed to move into implementation. He went to the outside for two key resources: a woman with lots of knowledge and experience at LIFE, a background in insurance and finance, and experience in the downsizing and reengineering process. The second resource was a restructuring/reengineering team of two partners in a consulting firm known as Performance International—Danny and Kathleen Langdon. The LoW™ provided a simple framework for the team to use to address all of their issues through a common performance model that would answer and align:

- What is the current business unit?
- What is the future business unit?
- What are the current processes?
- What are the future processes?
- What are the current jobs?
- What are the future jobs?
- What is the current organizational structure (i.e. what work groups exist?)?
- What is the future organizational structure (i.e. what work groups exist?)?

Key Issues and Events

The President of GIO was the person who initiated the entire project. He understood clearly that his business changes could not be executed without a substantial HR strategy in place. He also saw that the HR strategy needed to be grounded in the principles of the Process Re-engineering. In his search for a model that would link the re-engineering and the staffing and structure in one seamless whole, he found the "Language of Work Model™. He did not need to begin a separate initiative, after reengineering his business, in order to get the right people in the right jobs. He did not need to go through a down-sizing that was only thinly related to the changes in the business. He did not need to keep his changes hidden from view. People could see that the new business process required fewer underwriters, fewer claims personnel, and fewer accountants. They were able to see what the needs were, compare the business' needs to their own capabilities, and if a match was not evident, they could work with the HR department to get situated in another internal or external position.

This initiative had to be completed in a 60-day time frame. Thus, the key events were:

Event	Purpose	Participants	Outcome
Creation of Re-engineering Team	To have internal people devoted to the restructuring	Director-MIS (named Project Manager) Director, Operations Director-Human Resources VP-Underwriting VP-Actuarial	Team named and oriented to the president's vision and mission
Identification of external resources	To prevent floundering, and to create a systematic process	Re-engineering Team members	Identification of need for expertise in insurance business and on process re-engineering
Contracting with external resources	To ensure content expertise available as needed	President Project Manager	Resources made available for team
Training of Team Members	To provide a model to the team for completing its work	Consultants Team Expanded team President	Expanded team learned methodology; described 10 jobs and two processes in first 2-day session
Project Planning	To make the tasks and challenges visible	Consultant Team Expanded team The President Team	A 60-day project plan that covered the timing for all steps in the reengineering effort
Project Execution Phase 1	Develop models of current processes	Team The President Team	$1 million in savings was identified immediately as current processes were made visible.
Project Execution Phase 2	Develop models of current jobs	Team The President Team	It was thought that 25 job titles existed; 81 were found and mapped. Excesses and disconnects were immediately identified.
Project Execution	Development of new processes	Team plus consultant for facilitation	Mapping of new processes required

Phase 3			outsider to prevent myopia and protectionism; 4 new business processes to support new business were identified in 2 days
Project Execution Phase 4	Creation of new jobs	12 key management players Consultants	25 jobs created and graded in three days, using the 4 new business processes as the guiding light
Project Execution Phase 4	Creation of new organizational structure (work groups)	12 key management players Consultants	3 management jobs were identified to support the 25 jobs and to support the interface between work groups. Structure designed in three hours.
Implementation	Downsizing of organization to meet new business	Director-HR	90% of displaced employees found new jobs within 6 months; 40% within LIFE; 60% outside the organization.

Models and Techniques

The model used for the reengineering effort (phases 1 and 2 above) was the Language of Work(tm). The techniques included use of a 10-minute teach, a job aid for reference, master facilitation, and the distribution of copies of the New Language of Work book for reference and edification.

For the development of the new jobs and the work groups (organizational structure) the model again was he Language of Work Model™. The techniques included group facilitation, entry into a computer of jobs work diagrams, use of an LCD projector to project same, conflict resolution methods and simultaneous grading of the jobs by the HR department in another room at the off-site hotel that was used.

Two techniques that were used throughout the engagement was "phone-and-fax" consulting, and weekly status meetings with the president, which were dubbed the "I can't believe it meetings." The "phone-and-fax" technique meant that the Project Manager would regularly fax artifacts produced by the team. [Note: a more contemporary method includes virtual meetings and e-mailed artifacts.] As consultants we would critique the

documents, identifying problems and potential problems and coach the in-house facilitator, who was also serving as the project manager. This "phone-and-fax" technique allowed the consultants to stay in very close touch with the project, while keeping costs low for the client. It allowed the project manager/facilitator to learn a number of new skills, and to depend on experts to keep out of deep trouble.

The second technique was built into the project plan. The "I can't believe it meetings" occurred every Friday afternoon. They were designed to ensure that the president did not get too involved, but also that the project could meet its tight time requirements. The Project Manager, and people he deemed necessary, met with the president weekly. Together they would review the progress to-date, identify problems, and present the issues which the team could not immediately resolve. The president was very capable of sorting out which issues were technical (i.e. demanded insurance company expertise) and which were "people" or process issues. He took on the technical issues, provided guidelines or resources to handle the people or process issues, and reinforced the team for their work. The project manager prepped for these meetings with the consultant. On the rare occasions that the president got cranky, the project manager had a wise voice for coaching on that angle as well.

Project Process Description

After all the current jobs and processes had been mapped, the new processes had to be mapped. This required some significant input from the president and the insurance content experts, as well as the new VPs of Marketing, Actuarial and Underwriting and the Treasurer. Each of these had the expertise to describe how a portion of the vision could be actualized. This part worked well; it was strategic planning at the process level and an exciting endeavor for experts.

However, when the team had made two attempts to describe the new business unit, with no success, the president approved bringing in consultants to facilitate. It was clear that the issues were too close to home, and the changes too threatening for the team to describe the new business unit without an objective, outside facilitator.

The process—the Language of Work Model™—used for defining the new business unit contained the following steps in a facilitated meeting. The Team was facilitated in:

- Determination of the key outputs of the new business unit (which were then compared to the outputs of the current business, making for a great number of ahas!)
- Identification of the consequences of each output, coming to understand the purpose of the business and how it contrasted with the old business
- Identification of the inputs required to produce each output of the business, creating a list of the resources needed to get into, and stay, in this new business
- Description of the key processes needed to get the outputs that would allow the business to survive. These processes were then exploded in the next level of detail.
- Articulation of the conditions under which the business is run. Because the insurance industry is highly regulated, and regulated differently in each state, the data

generated here had significant impact on the creation of the products the business unit would sell

• The feedback that would tell the business unit it was doing a good job. Since the original company had limped along for 10 years without being "good" because it had no feedback mechanisms in place, this area was an important one in designing the business unit.

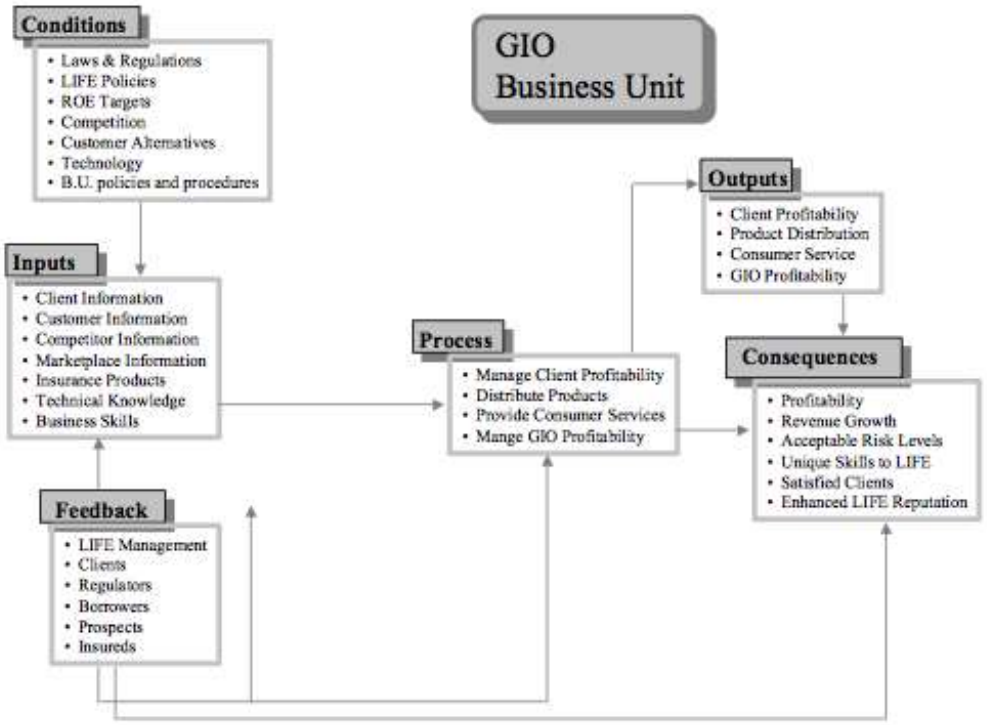
With the GIO Business Unit Model in place, the Team was able to design the jobs that would allow the processes to be completed and the Business Unit to meet its goals. The Team was able to finalize its Business Unit map by itself, and to revise the new processes based on the new understanding of the business unit. They were then prepared to work together with a pair of facilitators to create new jobs. These are the steps the team followed:

• Review each new process

• Identify the outputs of each process: for each output then

• Identify the possible jobs required to produce the output, often named functionally, without manager, specialist, or other tags. [Note: It is our belief that much of the understanding of the work resides in the team members. Our task is to articulate in a systematic way that thinking which team members hold. If it is counter-productive, the process holds faulty notions up to the light.]

• Identifying the output the job would produce (sub output of the process), the consequences the task would achieve, the inputs required, the process to be followed, the conditions to be attended to and the feedback to be given.



- These models were then viewed to answer the question: "Would it take one person 40 hours every week to produce this output?" If yes, then the next question was, "How many of these outputs need to be produced to meet the needs of the business?" This then answered the question of how many people were needed in various positions.

- If the answer to the first question was "no," then we found another output that a person could logically produce in a 40-hour week. This continued until there was a complete, full-time job. In a few instances, it was clear that a single output could not be combined with others; these were then defined as part-time jobs.

The job maps were posted on the walls [the facilitator has since used electronic white boards for similar projects, distributing the copies of the work product to each participant] while simultaneously being entered into a computer. Once agreement had been reached on the job description, it was handed over to two compensation specialists from Corporate Human Resources who graded each job.

At the end of three days, the team was exhausted, but 25 jobs had been described, job descriptions written and graded. Entry level skills and performance expectations were able to be inferred from the work product, allowing posting of jobs and selection to begin within days of the activity.

Results

A slide show was prepared which allowed the President of GIO to present the results of the re-engineering to LIFE's sponsoring Executive VP and the Chairman of the Board. The total number of different jobs needed to support the endeavor was reduced from 81 to 25; the total number of employees was reduced from 200 to 125. Costs went from $20 million to $12.5 million with this reduction. (Note: Although employees were not making $100,000 annually each, the cost of their pay, benefits and support in terms of equipment, real estate, supplies, software, etc. could be seen in those round numbers.) An additional $2.5 million was found in the early changes to the process. Claims costs and litigation costs were able to be cut dramatically as well, because the process was so lean that mistakes were rarely made. Particularly significant was the focus on restructuring the work groups, with the newly defined jobs, such that client needs were now to be met at a closer, more personal point of contact on a regional basis. Clients had asked for this, and now would receive it in fact.

Conclusions and Recommendations

Much of the success of the project lay in the hands of the president, who was our client. He saw his role, not as the conductor, but as one of the players in a jazz quintet. Unlike an orchestra conductor who is trying to make the notes on paper sound beautiful and as planned, his task was to make beautiful music. The exact outcome was not always clear, but with good talent and communication, something gorgeous could be produced. His selection of a model on which to frame discussion and outcomes, while reducing emotional ties, and consultants who were compatible with him was a critical step in the success of the project.

The participants in this project, the Team, experienced growth on many levels. Rarely had they worked so hard, producing so much in such a short period of time. Because literally everyone was involved, the approach also allowed for much of the orientation and learning of the new process and structure to occur during definition, as compared to most restructuring were the outcomes are imposed on those affected. Because of the conscientiousness of the President, they were comfortable that people would be treated with human dignity in the entire process. This allowed them to make decisions and recommendations for new jobs that were very much in keeping with individual's needs. The players have all gone on to new jobs, many in new organizations that suited their personal and professional goals more closely. Several are using the model in their current settings.