

Editorial for weLEAD December 2006

The Keys to Organizational Success

An Interview with
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Mr. Stelzner has worked for several years with private and public sector organizations. His experiences in brokering effective solutions for organizational problems gives him a unique perspective on initiatives related to organizational development, organizational learning and effective leadership. Mr. Stelzner shares some of his insights in this interview in order to help readers understand the broad and common issues of organizational improvement, growth and sustainability.

-You have worked in both the public and private sectors assisting organizations with various problems and issues. Based on your experiences, what are the major drivers to organizational success? Are these different in the public and private sectors? What are the major hindrances to organizational success? Are there differences here between private and public sector obstacles?

Although it's a bit of a cliché and cited by every organizational leader I meet, one's employees are truly the primary driver to organizational success. More specifically, I believe organizational fate sits with the middle managers, as they are often in the unenviable role of ensuring that disparate groups of individual contributors are supporting the (sometimes unrealistic) visions of their senior leaders. With the average tenure of a CxO decreasing each year, it is truly on the shoulders of middle management to carry the burden of daily organizational change. I have found, however, that this all-important voice of middle management is often lost as a result of two elusive characteristics – opportunity and access.

With substantial differences between the public and private sectors, I feel that this is one area of commonality, for regardless of whether leaders are brought into a Fortune 500 firm or politically appointed, each has a set of attributes and agendas which make he or she attractive to the powers that be. However compelling their individual vision may be, they know that the clock starts on day one and time is limited. What many fail to realize is that ideas will not advance to measurable success without the enablement of the next layer of management. Given this backdrop, one common hindrance to forward movement among all sectors is the sense that failure of any kind is intolerable. The senior-most tend to overtly pressure middle management to meet commitments which create no material opportunity for the middle manager's gain and which limited access prevents them from influencing.

-There is agreement that effective leadership is helpful to organizational development. However, the inverse is not necessarily true. In other words, sometimes organizations are quite successful in spite of ineffective leadership. Based on your observations, what impact does leadership style have on organizational success? Do organizations function effectively in spite of poor leadership?

I agree that unfortunately many organizations do succeed in spite of poor leadership. However, I believe that this term “success” has morphed into a currency of immediacy versus long-term and sustainable growth. The ninety-day lifecycle of a publicly traded firm requires that investors are offered tokens of instant gratification on a predictable basis. We’re seeing many examples where such firms no longer apply macro strategies, which may drive a five-year organizational plan. Market demands now dictate emphasis on instantaneous bottom-line impact versus long-term visionary tactics for optimal client, shareholder and employee return.

This creates two challenges which are counter to the good work of organizational development. First, external charisma begins to trump internal effectiveness, whereby individual leaders with a powerful public currency start to believe that they are actually hearing the truth from their trusted lieutenants. This goes to my earlier point about the voice of the middle manager being lost. Thus, they proceed with the whimsical belief that expectations will be met and set goals with their board and investors without a sense of the human toll their actions will exact. Second is the increasing problem of passive accountability, for managers and employees become held to a standard of performance against which they have no visibility and--at best--limited understanding.

-Are there any key questions that you find essential to pose when assisting an organization? In other words, are there common pitfalls you look for when an organization requests your assistance?

Absolutely. When I first meet with an organization, I find it essential to uncover both where they’ve been and where they’re headed. This includes what compelled them to first take their position, start their firm, or begin their particular strategic initiative. I often find that this leads to a very animated discussion that ends with the somewhat depressing realization that their original vision is no longer reality. In transitioning to the desired end state, I’m continually surprised to find that most organizations don’t really have a sense of where they are headed. That’s not to say that financials and a results orientation elude them, but instead it’s the discussion of organizational legacy which causes them to take pause.

Beyond this concern, the most common pitfall I encounter is the “do nothing syndrome.” The compulsion to act is often overwhelmed by an intense fear of failure, and although organizations recognize the absolute necessity for change, they lack the courage to step out of what is known and embrace their new reality.

-Can you describe the relationship that employee development has with organizational growth and sustainability? What are your observations in this arena? Where does employee development fit into the strategic plan of organizations?

Employee development is paramount to organizational growth and sustainability. With the pending “retirement tsunami” in the public and private sectors, critical knowledge and expertise will be lost in unprecedented volume. This has driven many organizations to focus on succession planning, leadership development, skills assessment and enterprise-wide learning initiatives. Mentor-protégé programs are also gaining popularity as more experienced workers see value in legacy building via experiential collaboration with their less seasoned colleagues.

One challenge that has arisen is that disproportionate focus has been placed on younger workers, casting aside critical and ongoing developmental programs for older workers who are presumed to be transitioning into retirement. Although a significant proportion of boomer-age employees may elect to retire, many will shift into more flexible work programs, independently consult back to their former employers or progress forward on their current employment trajectory.

Generally speaking, employee development remains significantly underfunded in most organizations. Intuitively, most senior executives recognize the critical nature of continuing development of their global populations, but shifting demands for cost effective productivity have slighted the efficacy of these programs. Plenty are talking the talk, but fewer walk the walk when pressed to strategically invest time, money or precious resources to this area.

-What is the most common mistake organizations make when implementing strategic plans that you have observed? Where do the disconnections between planning and reality typically occur? Or is the dissonance too varied in this regard?

Strategic planning, by nature, must produce results and outcomes that meet or exceed the expectations of internal and external stakeholders. Perceived or real stakeholder pressures, however, often distort the plausibility of goal attainment and thereby demand heroic performance from all organizational participants. Ego is an enemy to this process for many senior leaders do not include “no” in their vocabulary for fear of being outflanked by more ambitious or less risk adverse colleagues. This can create an untenable push-pull when results of strategic planning are cascaded down the ranks as measurable business objectives.

-Organizational theorists, such as Senge, have encouraged organizational learning whereby problems are identified and solved in a collaborative and corporate manner. Have you observed this in action? If so, what does it look like and why is it important?

I believe that an increased emphasis on immediacy has significantly diluted many organizations’ ability to engage in the types of collaboration promoted by Senge and others.

In an era of increasing commoditization, many argue that America’s unique strategic advantage is based firmly on an ability to innovate and evolve concepts faster and more effectively. Some of the most forward-thinking organizations I’ve had the pleasure of working with have embraced a few relatively simplistic concepts to progress in this area. First, work-life balance is not a benefit to be advertised in break-room brochures, but a demonstrable management style which can significantly increase employee satisfaction, productivity and, thereby, performance. Second, environment does matter, and a small investment in a “brainstorm pit,” nice coffee service, comfortable furniture and games/toys can relax employees and allow for true creativity

to shine through. Finally, increase buy-in for difficult projects and challenging deliverables is promoted by ensuring that every single team member has a personal and vested interest in the outcome. This can take the form of a bonus, perk, vacation days, group outing or opportunity for growth. It is amazing to see how simply recognizing and rewarding one's efforts can motivate and foster teamwork

-If you were to give advice to leaders of organizations, given today's conditions and climate, what would it be?

There are three very specific pieces of advice I would impart. One, remember that your employees are humans with friends and families who depend upon them, including all the joy, sorrow, and challenges that come with modern life. Two, define a clear, concise and well-understood desired outcome for any objective you establish, including taking the time necessary to draw a path from current to future state. And finally, recognize that organizations are living, breathing organisms which are constantly evolving and require the oxygen of change to survive.

-Final comments?

Thank you very much Shannon.

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