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SOCIAL.

ARCHITECTURE

(A MANIFESTO)

*Let's get out of the analysis paralysis and focus on what we leave behind at the end of a project.
The thing that teaches people how to fish so they can eat forever.*

The new Organizational Change Management is called Social Architecture.

PART

1

For organizational change practitioners, lacking safety shoes is symptomatic for not being in touch with the reality of things. No rubber is hitting the road as long as you stay inside the boardroom. Getting your expertise used – and the change to last – means raising the bar of expertise in two steps: relationship management and social architecture.

Raising the Bar

The profession of organizational change management is changing. And it is going in the right direction: clients no longer accept that 70% of the changes fails. And neither should you.

The arena of organizational change practitioners is packed with experts, tools and degrees. We could even add certification and other rituals, all to no avail. Being an expert is not sufficient anymore.

To make a difference, we need to raise the bar for our profession, by adding relationship management and social architecture to the requirements list.

Level 1: Your Expertise

Let's face it: the days of boardroom consulting are over. Reality is no longer restricted to the 150 slides of your PowerPoint-Conference-Room-Pilot-Presentation. Slowly but surely clients are starting to understand that the proof of the pudding is in the eating, and that we should put our beautiful models to the test on the shop floor.

The moral of the safety boots is that you need to 'go local' in order to make a connection. If you really want to practice organizational change management you need to step out of your project cocoon, right into the field. You need to sit on the handrail with the people who will eventually execute your bright ideas.

*You need to sit on the handrail **with the people***

*who will eventually **execute** your bright ideas.*

Also, you need to sit through the long (and often very technical) discussions of problem solving. Be there when they share war stories and tinker with a solution until it fits. That's really tough, because 99% of the time you will be the dummy in the group.

To most consultants being the dummy - by definition: not the source of knowledge - is total agony. You are no longer the expert once you are on the shop floor.

Get over it and get down to it.

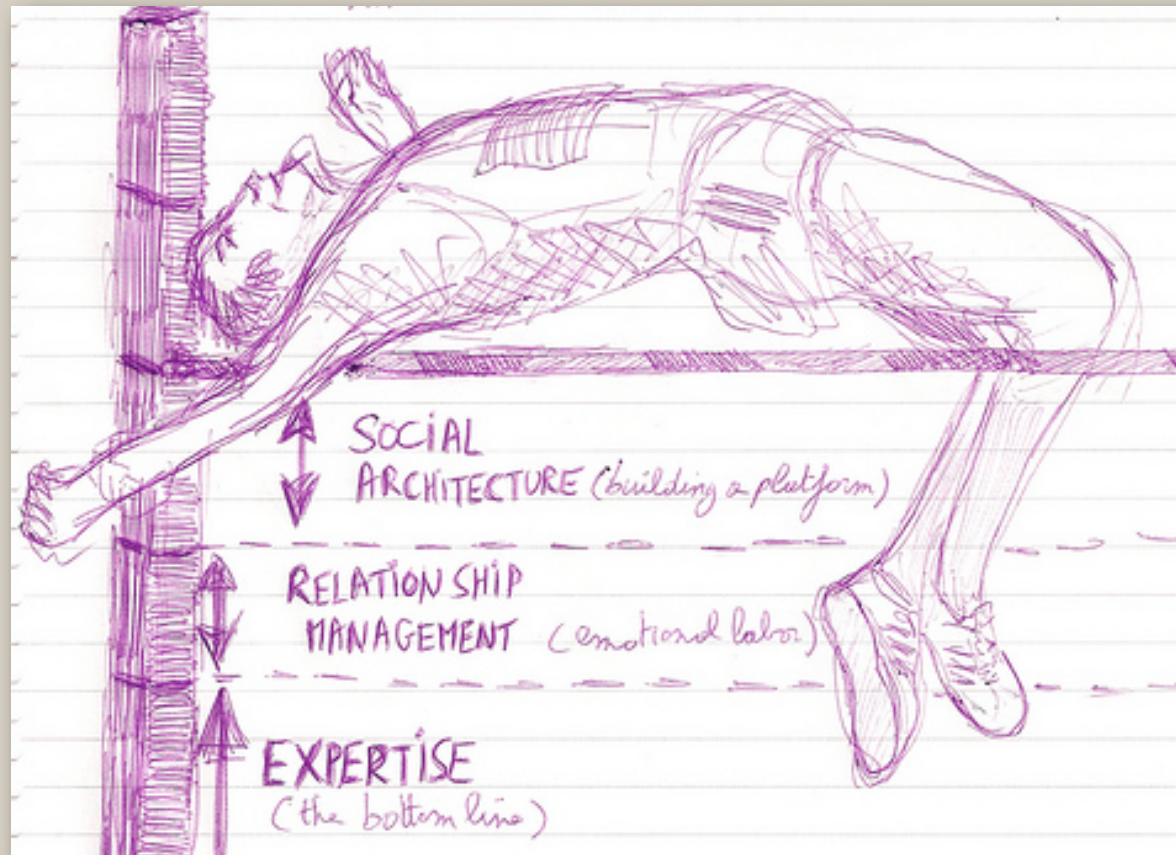
Level Two: The Relationship

The first thing you need to be aware of is that you start as a foreign element, so pushing your expertise down the throats of people will not amount to great things. Moods of all colors and sizes are popping up: disbelief, denial, emotional numbness.

Raising the Bar

People need an architecture that helps them to connect and share their knowledge.

After a while, if you are lucky, they declare this as their platform.



No matter how up-to-date your knowledge is; no matter how state-of-the-art your model is; you should always remember that implementation is the last 99%.

Implementation is a relationship thing. But make no mistake about it: it's only the second level of a three-level game.

Relationship is not the final destination of our work.

Major Jim Gant knows about relationships. His work on TTE – Tactical Tribal Engagement is unprecedented for counterinsurgency tactics in Iraq and Afghanistan.

His contention is to work with tribalism, not against it. In his free ebook 'One Tribe at a Time' he talks about an "acceptable level of integration.":

U.S. Army Maj. Jim Gant points to his 2003 mission in Afghanistan as proof that the U.S. military can - and should - work alongside Afghan tribes in the fight against the insurgency. Here's a look at the tribe that led him to urge the U.S. military to rethink its strategy. (Image taken from *The Washington Post*)



“There is nothing (and I emphasize nothing) that can prove yourself and your team to the tribe more than fighting alongside them. That is the ultimate testament of your team as warriors and your commitment to the tribe.

It will create the foundation for influence without authority that is the key to success in tribal engagement.”

My ultimate test of relationship management is based on Major Jim Gant’s insights: do you have influence without authority?

If yes, then you are ready to raise the bar to the next level.

Level Three: Social Architecture

Ask yourself: What will people be creating when you leave? This third level is about building a platform in order to sustain the change. It will require you to get out of the way and to allow a community or a club of people to take over.

Building such a community is not easy because it is not done with the pressure of authority. Rather, it is done with the gradual and consistent work of going local, being there, and connecting (the previous level: relationship management).

*Ask yourself: **What** will people be creating
when you leave?*

Typical examples of a platform include:

- ▶ a community of key users of different plants who connect with one another based on their domain of expertise;
- ▶ a community of learning architects who make sure that the best practices from different countries get spread all over the organization;
- ▶ a community of training administrators who cater for the continuous training and authorization updates that are necessary after the implementation of an ERP project;
- ▶ a support community that prides itself on a new support process and continuously improves it.

What it Comes Down To

We are always told to start with the end in mind. As it turns out, the end we have in mind when we are stuck on the first level results in a 70% failure rate. Raising the bar to the level of relationship management and social architecture will urge us to think about different results.

This, in turn, will shift our vision and influence our execution radically. But make no mistake: these three levels build upon one another.

*People need an **architecture** that helps them
to **connect** and **share** their knowledge.*

- ▶ You need expertise in order to get the job done. This gets your foot inside the door;
- ▶ Next, you need to consistently prove that you are worthy of people's trust;
- ▶ Finally, when people allow you a landing slot on their airport of trust, you are ready to build a platform.
- ▶ In the end, what does this mean for you as an organizational change practitioner? Consider the following entry criteria in order to enter the next level:
 - ▶ Be an expert, that is the bottom line;
 - ▶ Then, let go of the attachment to being an expert and do the emotional labor that builds trust;
 - ▶ Finally, in order to build a platform, you will need to get out of the way and allow the community to take over.

PART

2

Compliance was a necessity during the Industrial Revolution, but ever since the digital economy has taken over it is blocking productivity. The impact of the internet on our society turns out to be a classic case for change.

The Great Accelerator

The way we run our companies and projects today was inspired by the logic of a 120 years old Scientific Management.

Command-and-control was the slogan that would create economic growth. And it did. Without any doubt, our economy, our society and our well-being would not have progressed to the current levels of prosperity without compliance and obedience.

What got us here won't get us any further.

Control is a Dead End Track

On the fifth of May 1835 the first train was riding through Belgium. At that time nobody could predict that this train would trigger a whole new era of the Industrial Revolution.

Today – in 2010 – we are facing a similar pivotal moment. The internet is leveraging our economy in the same way the train started the Industrial Revolution.

*It is precisely the extent to which we can **let go of control** that will determine our **SUCCESS** in the new economy.*

This 'digital' economy has bypassed the traditional economy in the mean time. That's very frightening to those who want to protect their knowledge. Being smart still matters, but you need to be intelligent in a different way: you need to be socially intelligent.

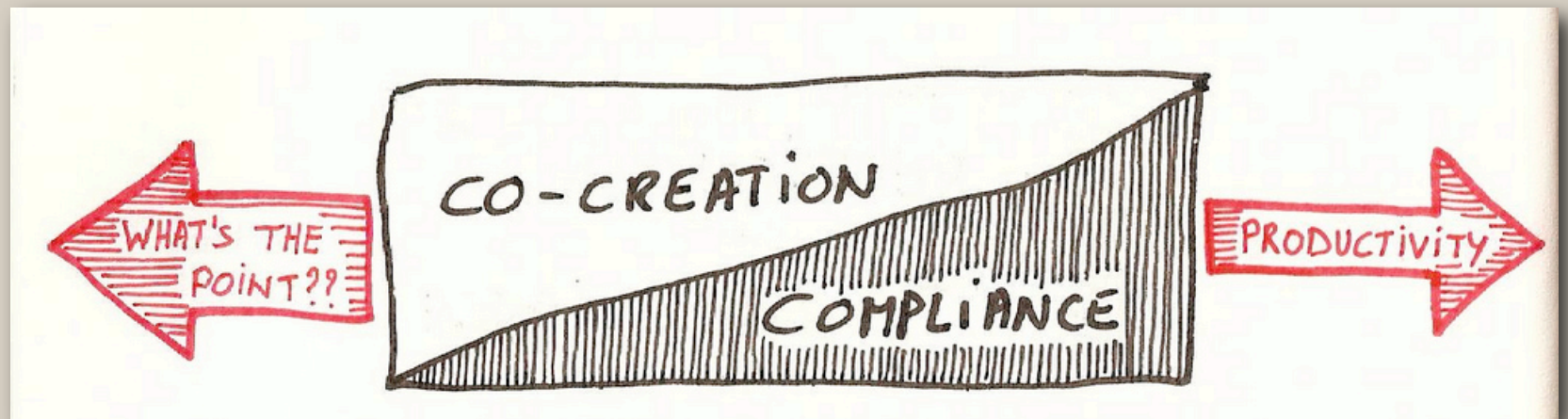
It means that we need to let go of what made us big in the Industrial Revolution: control. It is precisely the extent to which we can let go of control that will determine how successful we will be in the new digital economy.

My call to action therefore is to let go of the illusion of control by adding a social layer to intelligence as we know it. Letting go of control requires us to add social intelligence to our limited shelf-life intellectual intelligence.

Traditional Economy Trade-offs

As we are witnessing the end of the Industrial Revolution, we discover that leadership and workplace dynamics are no longer hierarchical. That game is over. We need to take into account of the fact that the internet is fundamentally changing the DNA of workplace dynamics.

Creative concepts such as empowerment and co-creation may be fun, but they don't bring home the bacon. This trade-off of the traditional economy is demonstrated here.

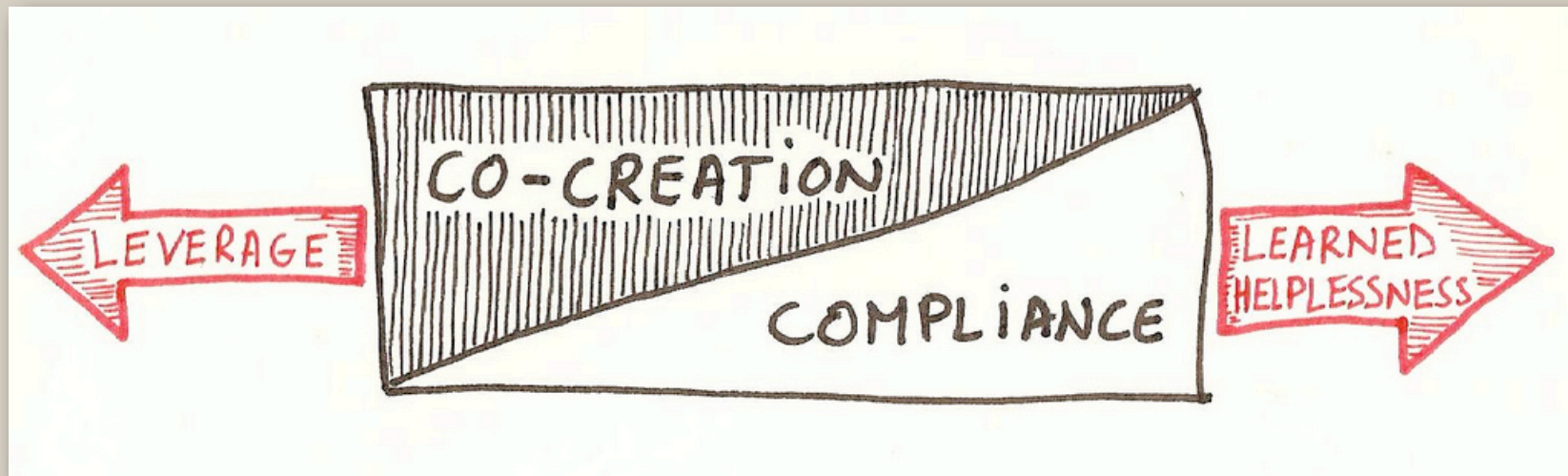


In fact, the compliance to strict rules and procedures was the shortest path to productivity. Without any doubt, carrot-and-stick leadership is the best way to get things done in a predictable economy based on scarcity and competition.

But when the world changes, the rules change. And if you insist on playing today's games by yesterday's rules, you're stuck.

Digital Economy Trade-offs

But the good old economy isn't what it used to be. The traditional economy is sputtering and it seems to be more than just an innocent cough.



The digital economy has taken over and its dynamics are radically different:

1. The means of production are available to anyone in the digital economy;
2. Transaction costs and shelf-space costs are close to 0 in this digital economy;
3. "Wisdom of crowds": your brand is no longer a logo or a slogan: it is the story your customers tell about your product.

Does this mean that productivity is no longer the straightest path to success? No. Instead, this means that compliance is no longer the only way to productivity. And ... we need to redefine productivity!

The Case for Co-Creation

In a world where information is no longer scarce, productivity is about connecting customers and employees in a different way. Customers own your brand by advocating or disliking it.

Like it or not, the internet has shifted the ownership of your brand to your customers. The real value of your marketing efforts is in the message received by your customers, and no longer in the slogan as it was pimped by your marketing department.

*Productivity now depends on your ability
to include customers into the story of your product.*

Here is the twist: when consumers own your brand, productivity depends on your ability to include customers into the story of your product. The same goes for projects: ownership demands for inclusion into the creative process.

As a consequence, compliance is no longer the shortest path to productivity. And by the way: information is no longer a scarcity.

Without any doubt compliance is still the shortest path towards a stable objective. It calls for well-defined function descriptions and performance reviews. And did you notice that it also makes sheep out of your workforce?

Get Dumber, Not S.M.A.R.T.er!

S.M.A.R.T. top-down controlled organizations with diligent employees are in trouble. They functioned well in an environment where the amount of information was fixed.

The manager receives the information, interprets and processes it and then hands out the instructions. In fact, this has been the secret of growth in our economy over the past decades. But it has an enormous downside: learned helplessness.

*No matter how hard you try, you will **always** be **too late** in the new **information-driven** economy.*

And now a shift is happening: since the rise of the internet the amount of information that is available to us is overwhelming. Most people, teams and companies are paralyzed by the flood of information.

The result for SMART corporate decision-making is painful: No matter how hard you try, you will always be too late in the new information-driven economy.

The advice for leaders is clear:

1. **Get dumber** by distributing the intelligence in the community of your brand (big deal: giving up control), and
2. **Redefine intelligence**: it's not in the manual but in the interaction.

Multiple Intelligences

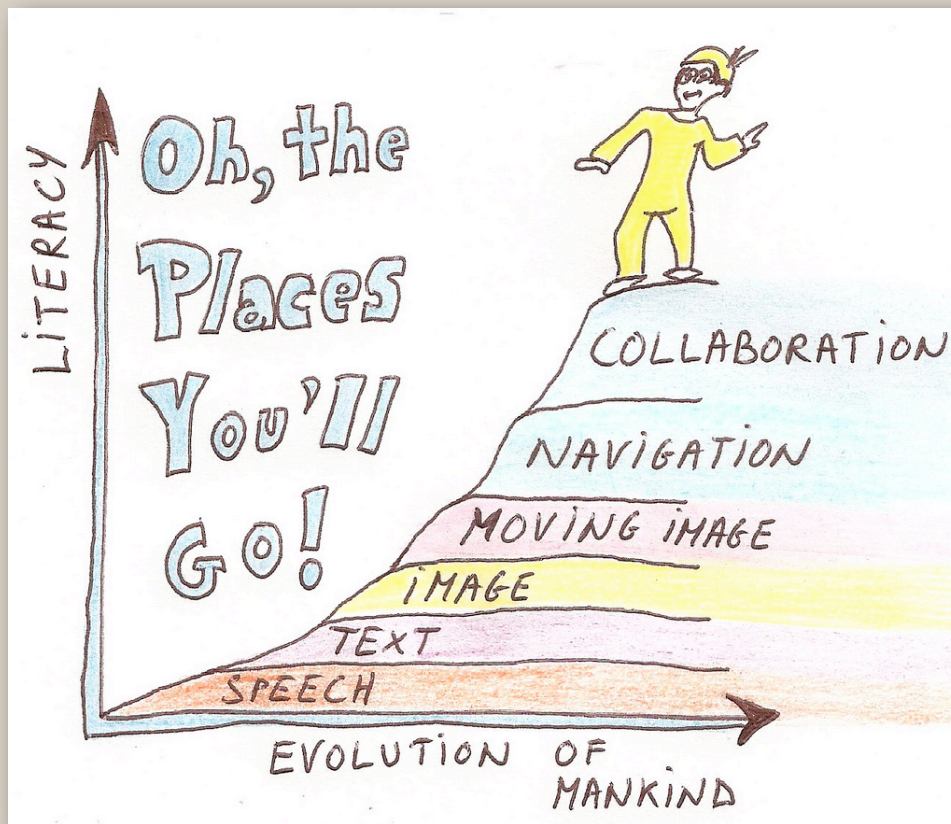
The internet is the first medium to honor multiple intelligences. For instance, let's have a look at literacy. In our narrow view of the world literacy involves only text, but there is also image and screen literacy. On the next level we find the ability to "read" multimedia texts. The new literacy, triggered by the internet, is one of information navigation.

Collaboration is the new literacy. But it requires managers to replace systems of control with platforms of trust.

Dr. Suess was right in 1990 when he wrote:

"If things start happening, don't worry, don't stew, just go right along and you'll start happening too."

(Quote taken from: Oh, the Places You'll Go!)



Information Navigation is a new layer of literacy that adds itself to our multiple intelligence. No need to be afraid of unlearning any previously acquired literacy. My ability to watch TV does not exclude my reading abilities, just as my ability to tweet does not exclude my ability to have a decent conversation at the dinner table.

And there is more. Currently the layer of Information Navigation is being topped by yet another literacy: Collaboration.

Collaboration intelligence is exactly the skill that is catered for by social media such as Facebook, LinkedIn and Twitter.

The Price to Pay

Let's be honest: having clarity on the need for collaboration will not make it happen. There is a price to pay.

We need to redefine the purpose of Organizational Change Management because the very words "change management" make us look in the wrong direction:

- ▶ they draw our focus on the "change" as an end in itself;
- ▶ they shape the illusion that we need to control, i.e. "manage" this process.

*Let's get out of the analysis paralysis and **focus**
on **what we leave behind** at the end of a project.*

The new Organizational Change Management is called Social Architecture. So, let's get out of the analysis paralysis and focus on what we leave behind at the end of a project. The thing that enables people to catch fish so they will eat forever.

Here's a hint: it's a people thing. A community. And it shifts the focus of our work on different things:

- ▶ **vision**: what does this architecture need to look like?
- ▶ **execution**: how to we channel the energy we have available towards that goal?

PART

3 *I tend to reduce reality until it fits into simple shapes (I love triangles) and simple equations (three is my favorite number). When I approach change, training and learning this is no different. But bear with me, because I start with a simple triangle, cut it in three, turn it upside down and pour it into a cycle.*

Real Knowledge

Knowledge is a social thing. A lot of the knowledge comes into being through the practices of the people and the environment you're working in.

'Belonging to' lies at the heart of learning. Knowing has as much to do with picking up the genres of a particular profession as it does with its conceptual framework.

For example, how do you recognize whether a problem is an important problem, or a solution an elegant solution, or even what constitutes a solution in the first place?

Photocopier Anthropology

What I learned from John Seely Brown is that coffee machines are more relevant than handbooks if I am really interested in solving a problem. According to him real knowledge is not taught, it is experienced in the form of unwritten stories and conversation.

In his brilliant 2000 article Growing Up Digital, he describes the anthropological study he conducted at Xerox in order to find out how technicians solve problems. A team of anthropologists observed the technicians as they intervened to repair photocopiers.

*The **knowledge** that was needed to solve a problem
was produced **on the spot.***

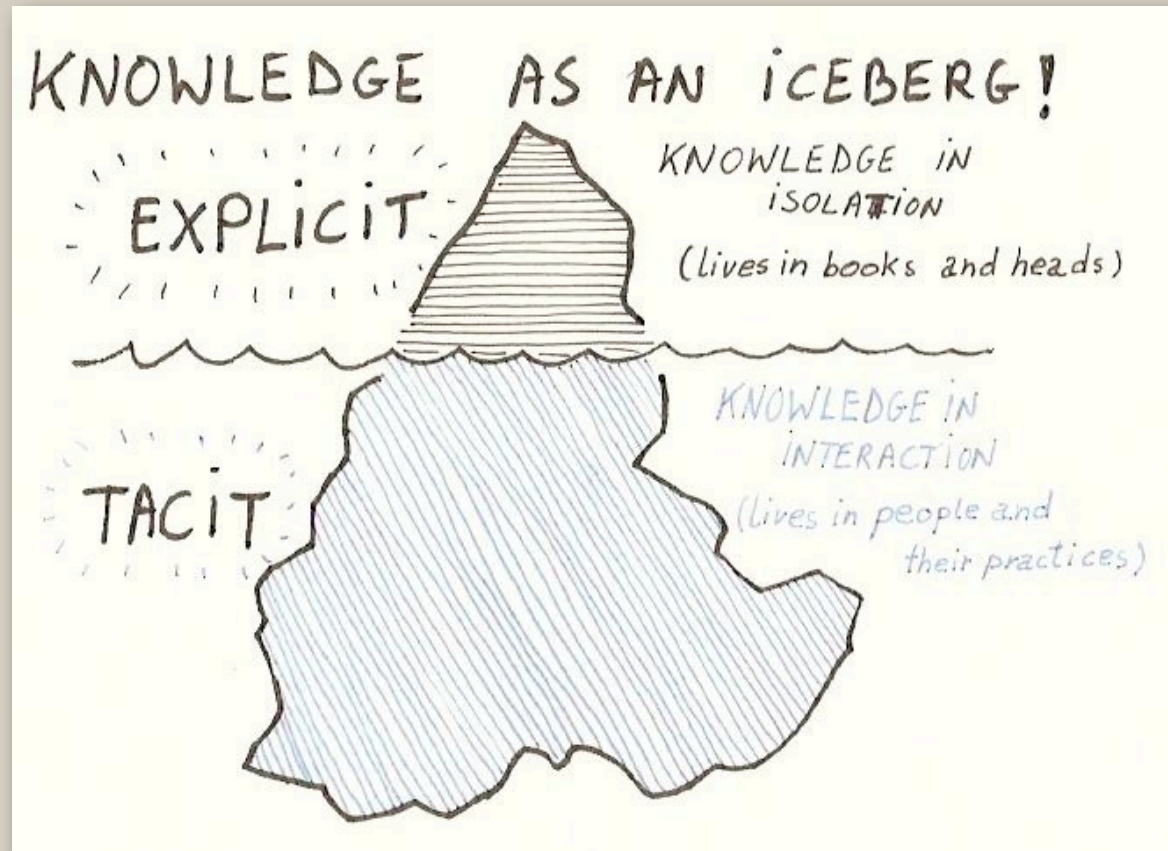
What they observed can be summarized in two main conclusions:

- ▶ The 'tribe' of technicians never used any manual or handbook to solve a problem with a photocopier. Instead, they called other technicians to share their observations in order to compare them to other problems they had run into before;
- ▶ The knowledge that was needed to solve a problem was produced on the spot as the result of a co-creation of insights and experiences of other technicians. And when the problem was solved, this tribe gathered around a table to drink coffee and replay the whole story. That is how the new knowledge got stored into the brain of the community.

Knowledge is an Iceberg

According to John Seely Brown knowledge has two dimensions, the explicit and tacit.

It is very easy for us to think that all knowledge is in the head, but we often ignore how much of our knowledge exists in action, participation with the world, participation with the problem and participation with other people, i.e., practices.



The visible part of the iceberg represents all the explicit information contained in instructions, procedures and manuals. This is the knowledge transfer, which garners the most tangible investments.

But the bottom part of the iceberg is much more important: the tacit knowledge as it lives within the organization.

This knowledge cannot be classified in an orderly manner; rather it's a pick and mix of all the formal knowledge featuring real issues, possible solutions,

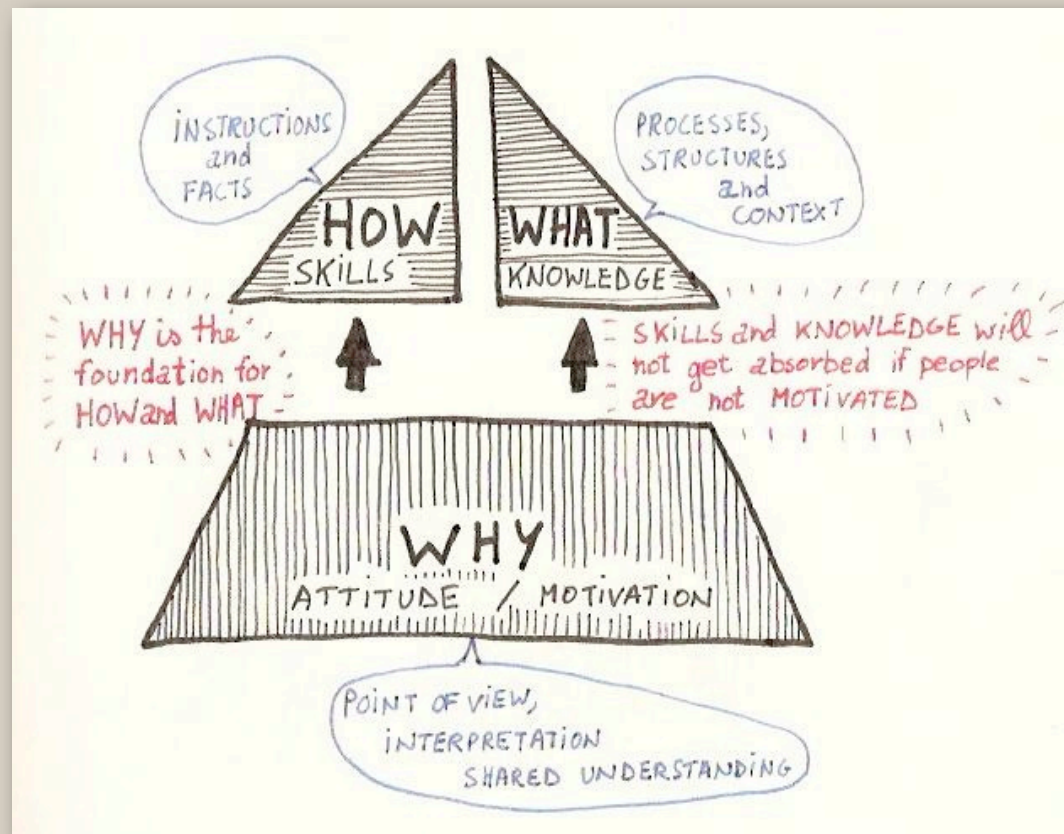
The Three Ingredients

When we have a closer look at the knowledge iceberg, we see it is composed out of three ingredients:

- ▶ Questions and reactions, which fall into the '**Knowledge**' category, often indicate a need for vision, a business case or an overview. These refer to the '**what**' of the learning.

The three ingredients are Motivation (the emotional stuff below the surface), Knowledge and Skills.

They determine the domain of action for making the learning happen.



- ▶ The '**Skills**' category indicates a need for concrete and explicit knowledge, tools and working instructions. In other words: people want to know '**how**' they will make the change happen.
- ▶ In addition there is also an entire range of reactions that fall into the '**Motivation**' category (the underlying reason that drives the change: the '**why**'). These reactions reflect people's need for involvement and inspiration.

Learning, Not Training

People often ask me why I always refer to 'Learning' instead of 'Training'. That is because 99% of what 'Learning' really is occurs outside of the classroom.

To illustrate, have a look at the **learning cycle** on the next page. All the stages are drawn in a chronological order. What's more, each stage of the initiating part has a corresponding phase in the follow-up part:

- ▶ The strategic goal setting will eventually be measured and evaluated when the Return on Investment of a learning program is calculated;
- ▶ The processes that are designed will eventually be measured with performance indicators;
- ▶ The roles and function descriptions are evaluated in performance reviews

99% of what 'learning' really is

*occurs **outside** of the classroom.*

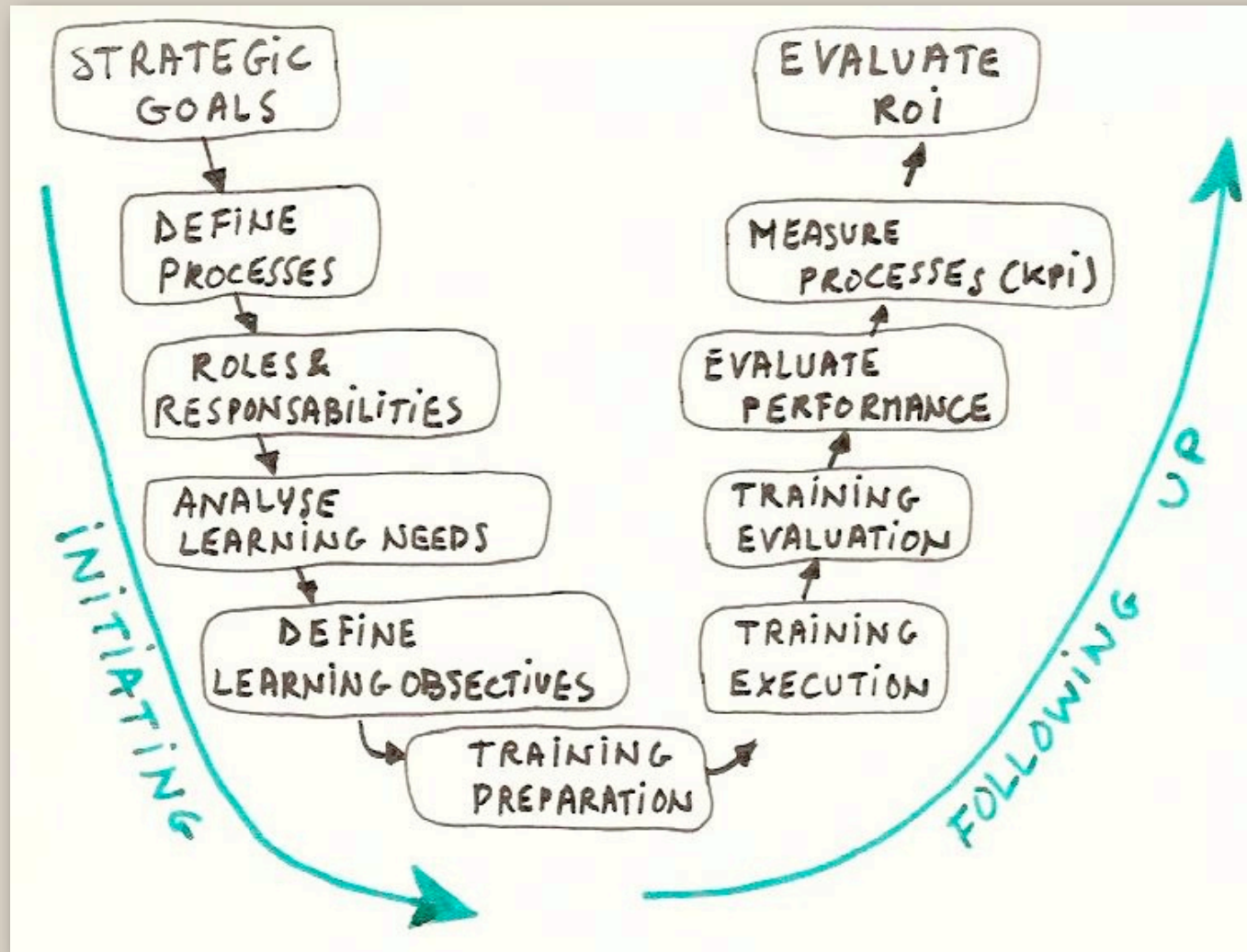
On the lower level of this learning cycle we find the 5 stages of the **training cycle**:

- ▶ The learning needs need to be evaluated after the training
- ▶ The learning objectives need to be translated into the right training deliverables
- ▶ On the lowest level, the training preparation needs to make sure that the training gets done

The Learning Cycle

The learning cycle underscores the larger context of training programs: training strategically requires all training programs to be linked to strategic goals AND – for Pete's sake – to be followed up.

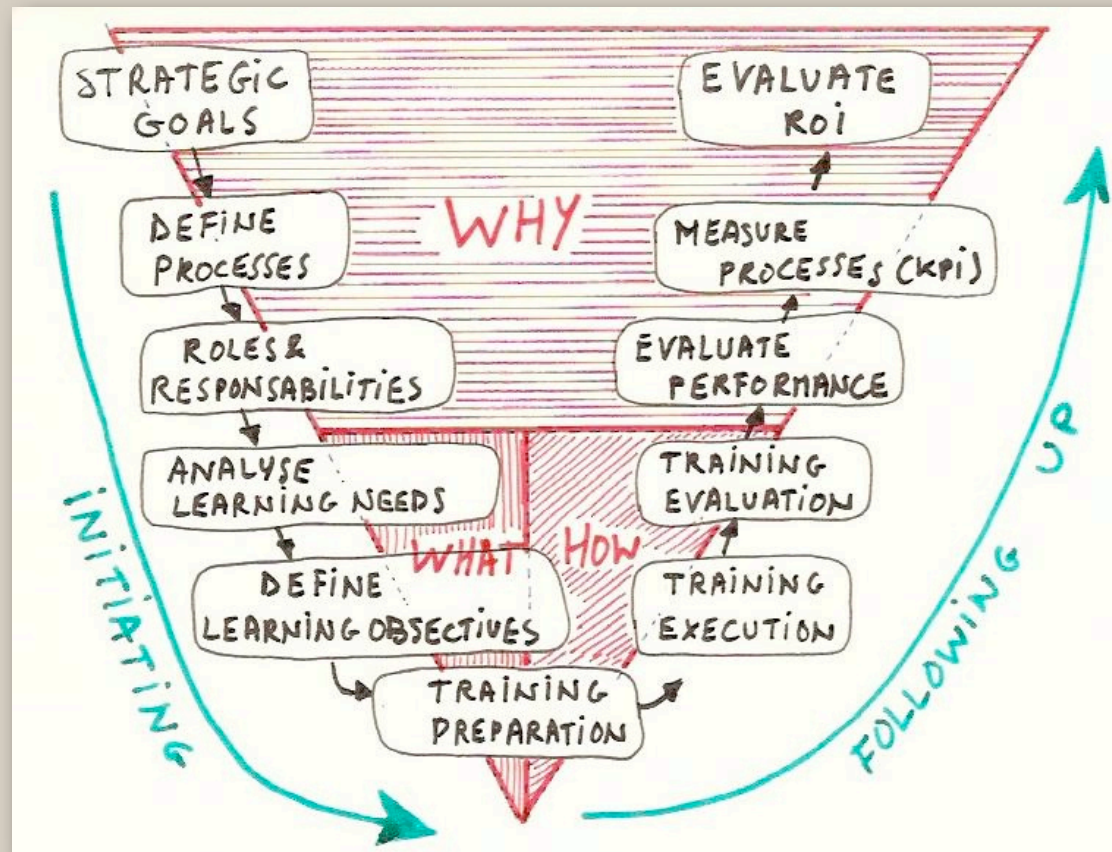
The focus on learning instead of training helps to achieve that goal.



Why? Why!

In this diagram I have combined the three ingredients of learning with the learning cycle.

How the three ingredients fit in with the learning cycle.



The first three stages and the corresponding last three stages represent the 'why' homework that is required of leaders in order to leverage the efforts of a training program into a learning program.

The five blocks in the lower part represent the classic training cycle, an activity that – ideally – starts once it has been determined that the requirement at hand is a training need. Although training delivery is an art, one cannot expect more than an impeccable delivery and an evaluation of the training.

Why 'why' comes First

An often made mistake in training programs consists of postponing all contacts with the participants until the very last minute. As a result, people feel as if a concept is being forced upon them and they aren't really given the time to fully comprehend it.

The knowledge provided during training is so theoretical that it has nothing in common with practice. Many of the people wonder why they have to spend all that time in training and are annoyed because their day-to-day work is just laying around. They have received all the explicit knowledge that is – rationally speaking – necessary to face the change. They have had the 'what' pushed down their throats. But the project grinds to a halt soon after that because people have not been given the time to participate and make sense of it all.

A recent study of McKinsey (Getting more from your training programs) indicates:

Instead of approaching training as active learners, many employees behave as if they were prisoners (“I’m here because I have to be”), vacationers (“I don’t mind being here—it’s a nice break from doing real work”), or professors (“Everybody else is here to learn; I can just share my wisdom”).

The ingredient 'Why' determines whether people undergo a training or take part in a learning endeavor. The inevitable truth is that people will need to tinker with the 'why' anyway in order for the program to work, so it is better to do that during preparation than to pay for it in terms of a sputtering go-live.

When 'why' is needed

It is management's job to make people 'want' to learn things by managing the 'why' – helping them understand why this important and fulfilling and why people should sacrifice their time and attention to get involved.

People should be given the opportunity to be part of the creative process that is expected from them. That is why it is necessary to effectively involve them before, during and after the training. Involve them – too simple to be true – and apparently too hard to commit to.

The same study of McKinsey (Getting more from your training programs) indicates:

Participants rarely leave any training program entirely prepared to put new skills into practice. Old habits die hard, after all, so reinforcing and supporting new kinds of behavior after they are learned is crucial.

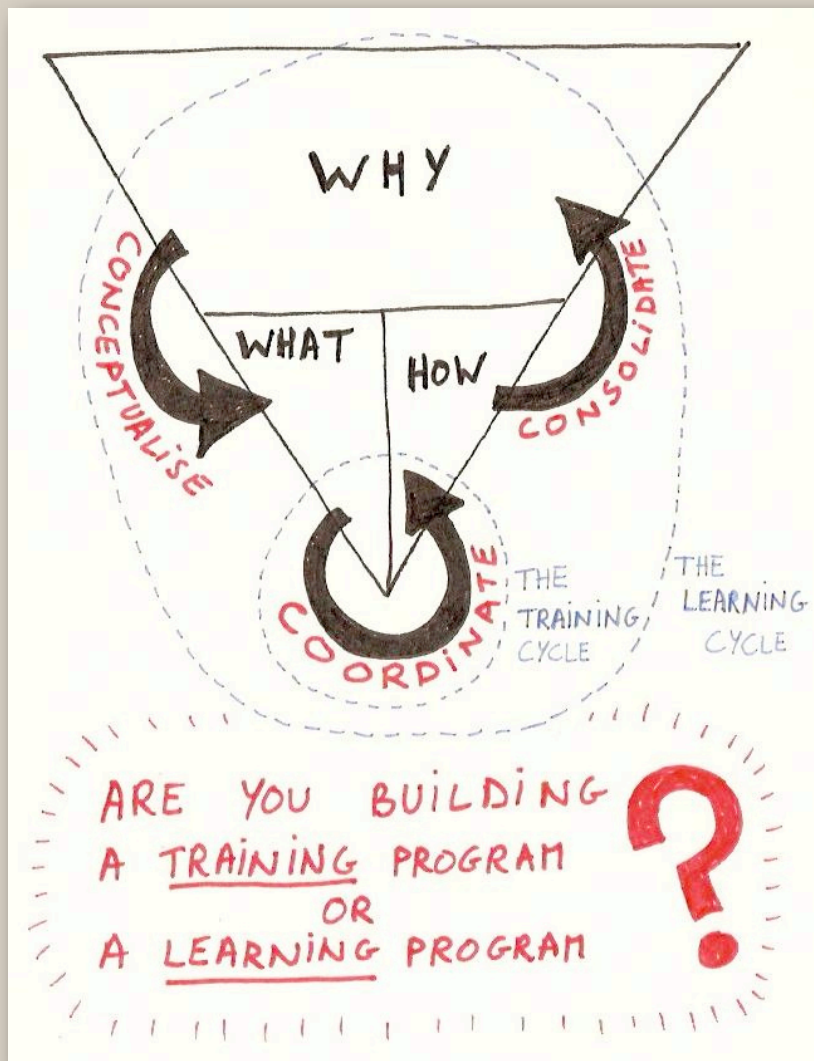
The above quote points out you need a 'why' in the beginning as a spark for building the momentum, but you need the same why-power when people come out of the classroom.

Unfortunately, executives take the training off their checklist when the training program has started and never come back to pull the results out of the training program. And this final consolidation represents the last 99% of the value of a learning program!

Making 'why' work

Are you still with me?

In this drawing I am combining the three ingredients (Why, What, How) with the learning cycle, and at the same time visualizing the dynamics to make it work: Charles Handy's three C's.



In his 1994 book *The Empty Raincoat*, Charles Handy introduces the three C's of learning.

They are conceptualizing, coordinating, and consolidating. According to Handy they are the essential mechanisms underlying personal, organizational and societal learning.

When we apply the three C's on the triangle we just flipped we see that the three C's are precisely the activities that is needed to jump the fences:

- ▶ **Conceptualizing:** this is what you do when you translate the 'why' of an organizational goal into the 'what' of a learning objective;
- ▶ **Coordinating:** this is what you do when you translate the 'what' of a learning objective into the 'how' of a training execution;
- ▶ **Consolidating:** this is what you do when you link the outcome of the 'how' of a training back to the workplace requirement 'why' you started the learning program in the first place.

When I say 'Learning'

The three C's are there for a reason. They point us of the moments where leverage is possible and courage is needed:

- ▶ The courage to conceptualize results in a learning attitude: participants who pull out what they need instead of just attending;
- ▶ The courage to coordinate results in excellent training execution: the training caters exactly for the needs;
- ▶ The courage to consolidate results in the commitment to make it work when people return to their workplace.

Getting more out of training programs

*requires you to transform them into **learning** programs.*

Getting more out of training programs requires you to transform them into learning programs. The different wording is essential, because when I say "Learning":

- ▶ I mean training coordination PLUS all the stuff that happens before and after: conceptualizing and consolidating;
- ▶ I mean participants PLUS their bosses;
- ▶ I mean the how, underscored by the what AND propelled by the why;
- ▶ I mean training execution PLUS a learning relationship between participant, leader and trainer.

PART

4

The number one reason why complex organizational change programs fail is not a lack of intelligence or hard work. There is a structural flaw in their design: the lack of social architecture. Here is what this looks like from the strategic point of view

The Strategic Level

According to research by McKinsey & Company, about 70% of all changes in all organizations fail. After almost two decades of intense change from corporate reorganizations, new software systems, and quality-improvement projects, the failure rate remains at 70%.

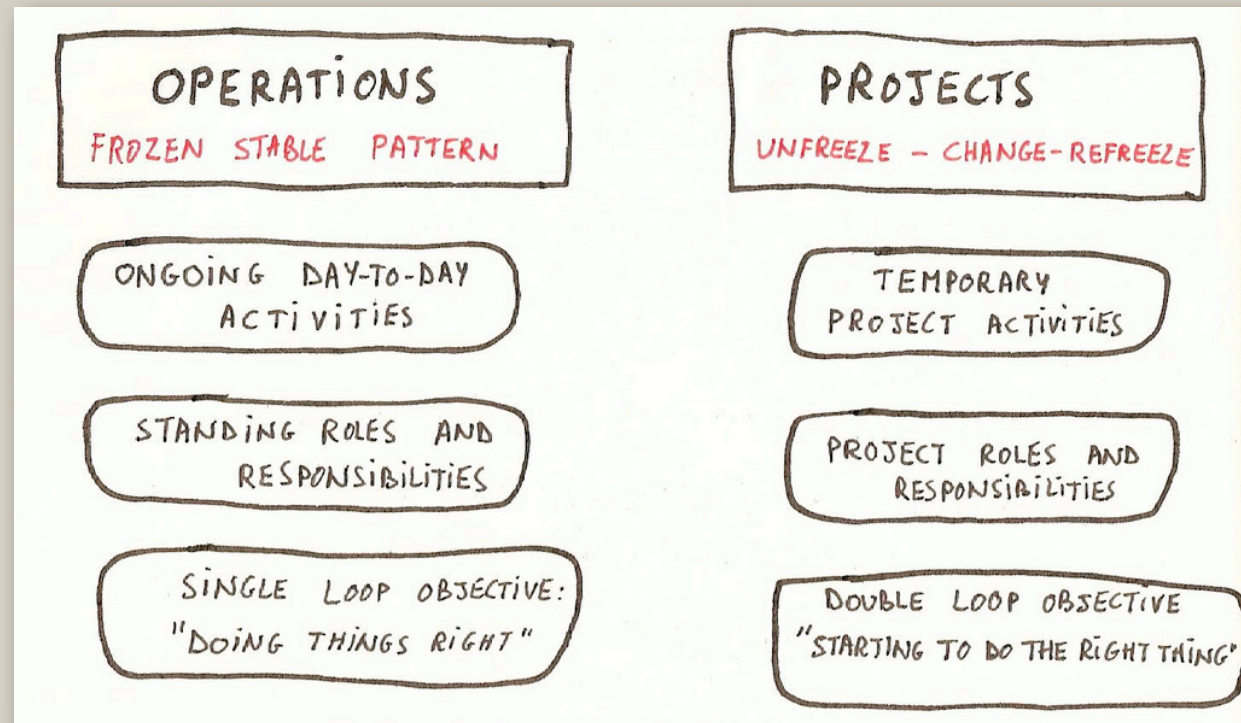
But what can we do to prevent this from happening? What does it take to belong to the other 30%? In this part I will treat this question at the strategic level of organizational change.

But before we start, let's first make sure we have a shared understanding of the words 'operations', 'project' and 'program'. Bear with me because the differences are important in order to see what success looks like on the strategic level.

Small Glossary

A functional organization cannot change its own ways of working because it is bound to execute its **day-to-day operations**. People are focused on "getting the day-to-day work done;" e. g., taking orders, preparing deliveries, production, collecting money, etc. They don't have the time to question in depth the ways of working, or to come up with new ways of working to improve efficiency.

Projects are the most suitable vehicles of change, as they are temporary undertakings with specific objectives. To manage a project is to manage the movement from one state to another. Projects are an investment made by the organization in order to realize the change.



A Program, Not a Project

Organizational change projects differ from most other projects because they threaten operations in their current form. That is why a project approach is necessary but not sufficient.

To succeed with such a heavyweight change, we will need a program.

A program provides a framework in which the delivery of benefits can be managed and followed up. This requires a management layer above project management, focusing on:

- ▶ Selecting the required set of projects, each of them delivering outcomes needed to achieve identified benefits (end state).
- ▶ Defining these projects.
- ▶ Providing an infrastructure where projects can be run successfully.

*If **delivery** fails at the project level,
the **overall** program will eventually fail.*

A program is successful when it realizes the benefits that the organization identified. But because projects are the building blocks of the program, if delivery fails at the project level, the overall program will eventually fail.

Program & Project Mechanics

Organizational change programs that are rolled out in multinational companies typically follow a roadmap that starts with a pilot project and then a multitude of roll-out projects. Managing such a program requires a complex organization on multiple levels.

On the program level you will need a governance structure that can cater for three different paces:

- ▶ Divisions that have **already** switched to the future state,
- ▶ Those that are **in the middle of** a roll-out (they are in project-mode), and
- ▶ Those that have **not yet** been included into the program.

I can hear you sigh "what a mess"... And that's not all, because the duration of some programs, like ERP implementations, may take up to 10 years or more. In these programs the following functions need to ensure sound governance:

- ▶ **Program management** and a network of **BPO's** (Business Process Owners – functional) and **BPA's** (Business Process Architects – technical architects in the case of technology driven changes) for each domain of expertise. For example, if you are rolling out a global ERP system and your warehouse system is in scope, you will need a global warehousing responsible to make functional decisions (i.e: the BPO) and one making the technical decisions (i.e.: the BPA).
- ▶ **A support organization** ensures the operations of the new organization (depending on the program, this may include 1st, 2nd and 3rd level support, a Change Advisory Board, a training organization, etc..)

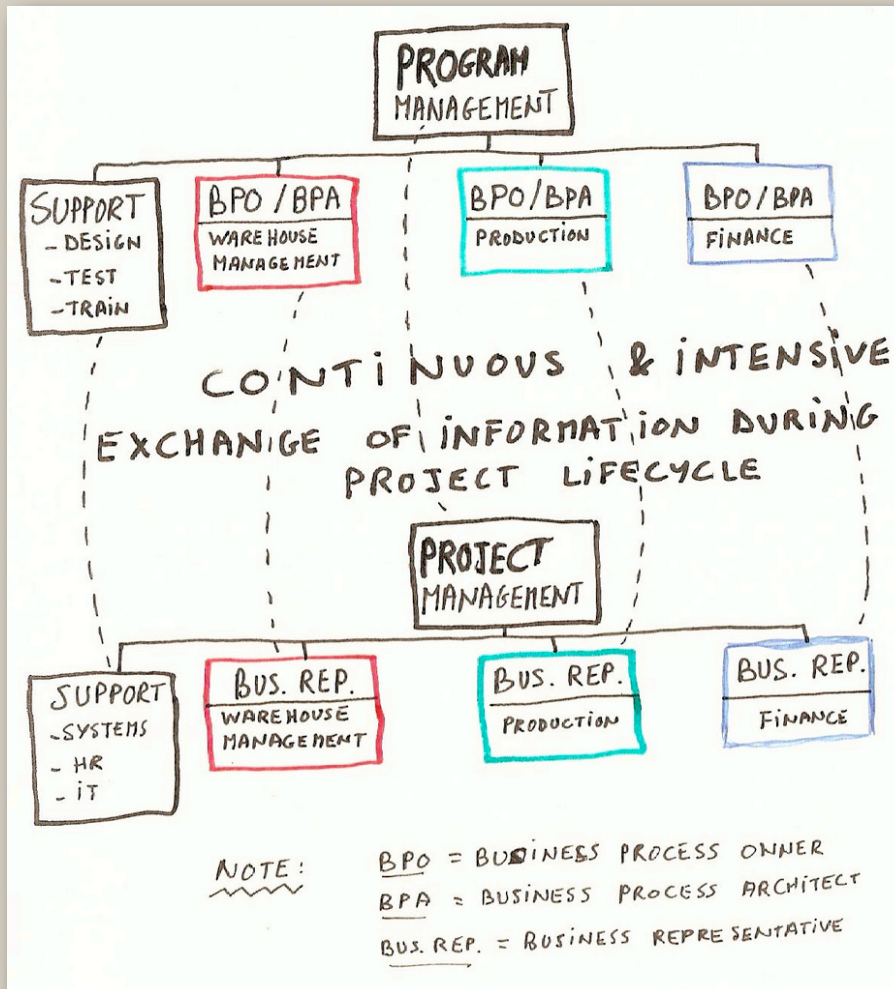
How Programs & Projects Link

On the project level you will need a local organization for every roll-out.

To see how a program and its projects link together during a roll-out have a look at this example.

The sample organization chart of this program and its project assume the de roll-out of an organizational change that heavily impacts three domains:

1. Warehouse Management,
2. Production, and
3. Finance.



Best practices show that such teams are composed of 50% experts who go from roll-out to roll-out, and 50% local people who represent their department on the level of the project.

The latter are Business Representatives. For example: if the roll-out impacts a specific site in a certain country, the warehouse responsible of that site will most likely be the business representative for warehousing.

As you can see, there is nothing wrong with this picture. Through the appointment of local Business Representatives for each domain the local organization is represented during all the phases of the project. Moreover, the local project structure mirrors the global project structure. This is a solid design for roll-out, and it caters for the best results: the program provides the infrastructure and acts as a platform for the project to reach its objectives.

Project Chemistry

So far the mechanical part; now let's focus on the chemistry. From a human point of view, the most important thing on this drawing are not the boxes, but everything that happens in the white space and the dotted lines between them.

It's always exciting witness the on-boarding of Business Representatives to the project team – not fully grasping what it is they are committing to.

Business Representative are the linchpins who are the first ones to dive deep into the new territory of the program.

*Business Representative are the **linchpins** who are the first to dive deep into the new territory of the program.*

In most programs these people are cherry-picked from the business because:

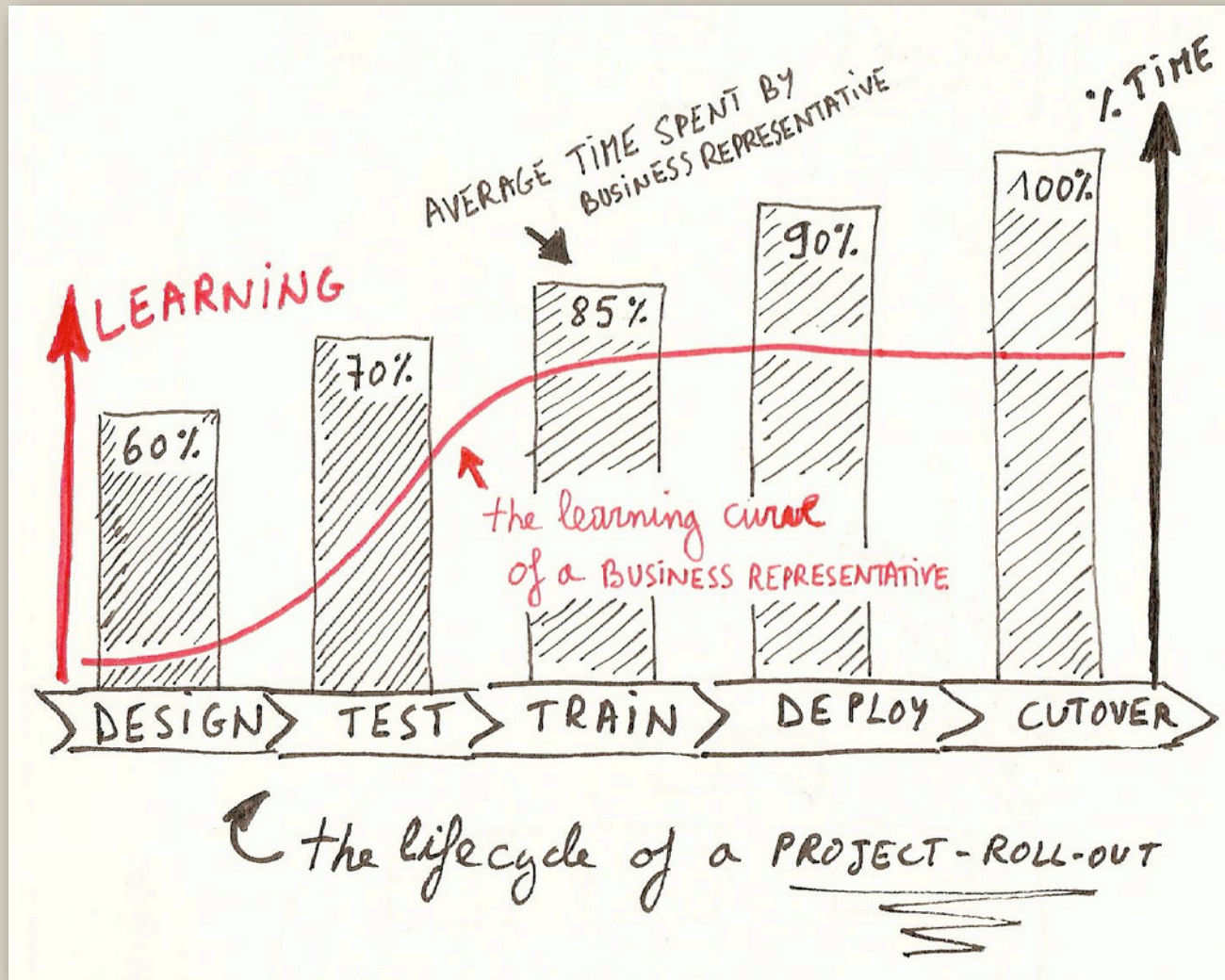
- ▶ they have a deep understanding of what it takes to run their part of the business;
- ▶ they have the strength and intelligence to perform on the challenging deadlines and deliverables of a global program;
- ▶ they have the resilience to absorb new knowledge, work their way through and become an expert in no time

Learning Curve

The learning curve of a Business Representative during the phases of a project-roll-out is very steep.

It is always a fantastic experience to witness them outgrowing their own potential in such a short time.

They learn, they connect, they grow.



This goes without saying that some people drop out of this challenge, while others flourish.

What's more, the Business Representatives who go through this experience are exposed to an intensive project experience where they have real impact and influence of the future of ways of working of their organization.

Program Pitfalls

Managing complex programs is not a mathematical exercise; it's a balancing act. Programs balance between the the initial design as it was conceived in the beginning of the program on the one hand, and the local specificities and reactions to the prototype on the other hand.

Half of the requests for enhancements that come from the local roll-outs are crap and the other half represent a real improvement for the program. The hardest part is figuring out which half is good half.

When should we say 'yes'

and when should we say 'no' to a local request?

This is the real challenge of managing organizational change programs: when should we say 'yes' and when should we say 'no' to a local request for enhancing the prototype?

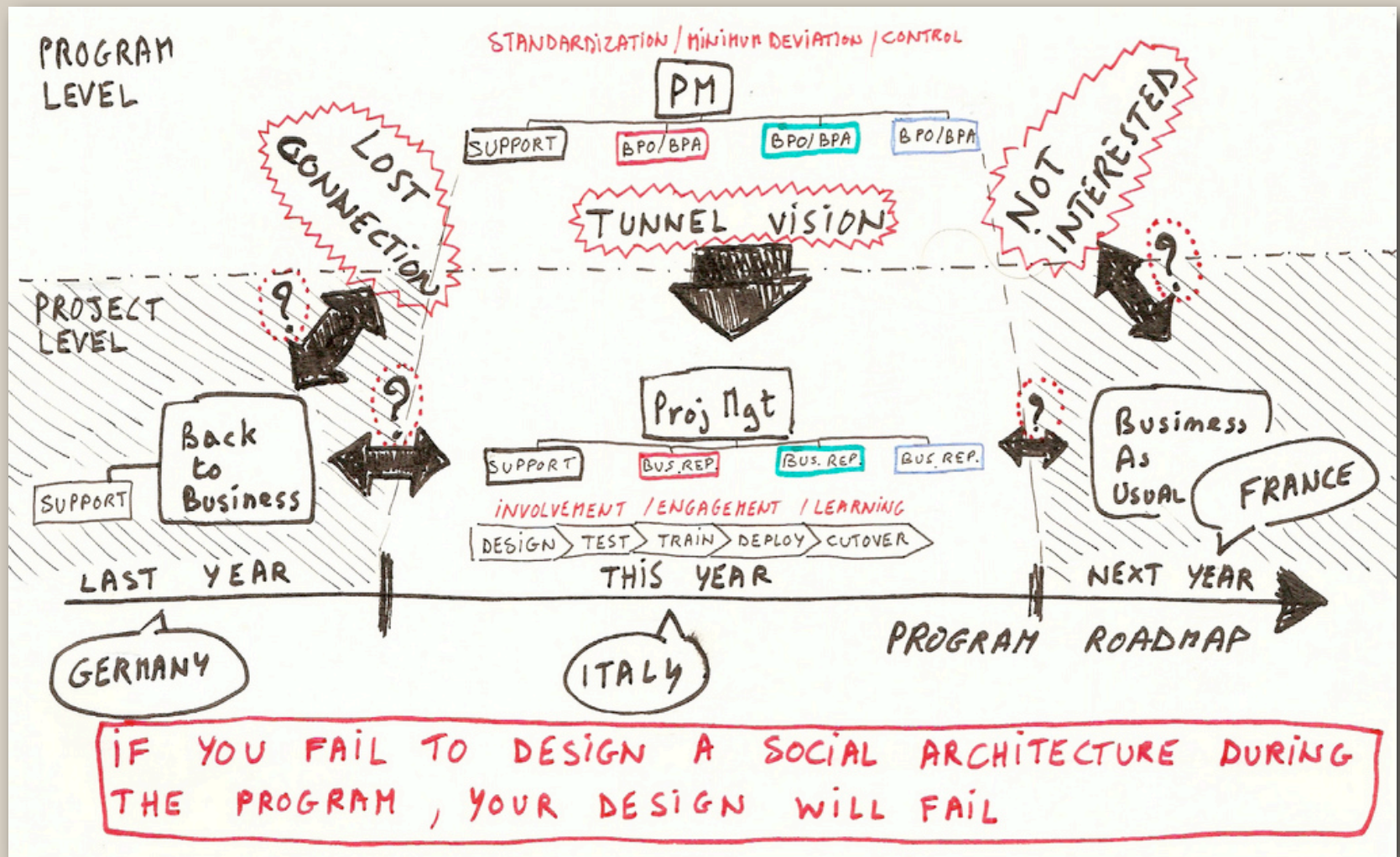
Have a look on the next page at how a program typically operates in the long run – that is: a multitude of projects, most of them rolled-out in parallel. The example in the drawing builds on the above mentioned situation of a change program with a scope of Warehouse Management, Production and Finance.

Let's assume that the program roadmap deploys from country to country: last year Germany has been involved, at present the focus is on Italy, and France is in the scope of next year.

Tunnel Vision

Here is what typically happens: the pressure is so high that the program creates a tunnel vision and only focuses on the present project (in this case: Italy). The previous project is stabilized by pushing every request or complaint to the 1st, 2nd and 3rd lines of the support organization.

For a country that was involved in an earlier roll-out, there are no links anymore with last year's operating structure: the German Bus.Reps did their job; they were congratulated and applauded, and now it is time to move on. BIG MISTAKE...

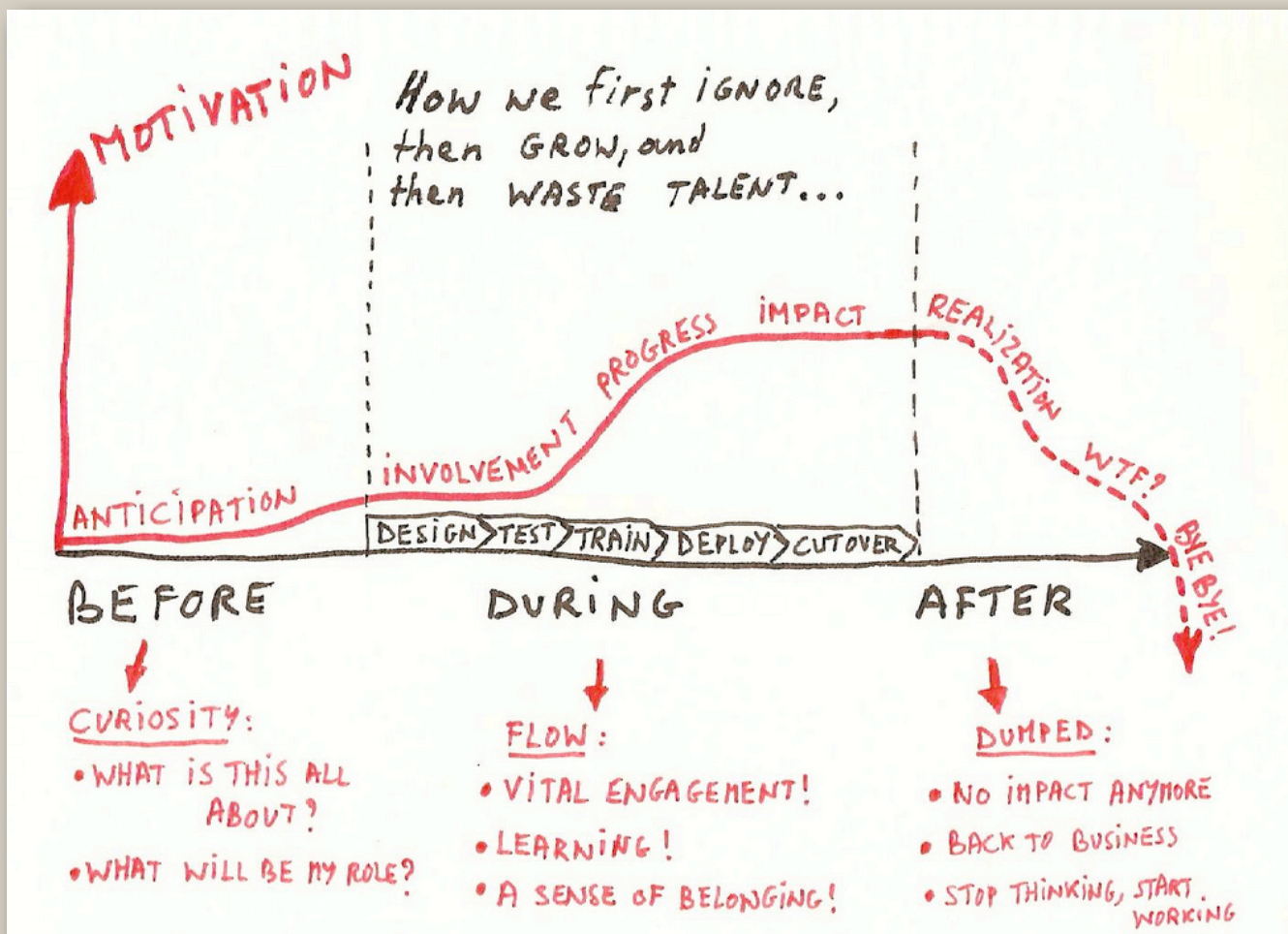


The Talent Massacre

Have a look at this program lifecycle from a human perspective and you will see a perverse effect on the learning curve I mentioned earlier. To keep it simple I will build further on the earlier example.

1. Before the program was rolled out in Italy, the local people were curiously anticipating the benefits and the requirements: this sparked their motivation to find out more. However, there was no initiative they could subscribe to; no chance to get involved upfront;

2. When the moment was finally there and they received full attention, space and budget from the program, things really started moving.



People got involved and thanks to some experienced project experts, project managers and high-potential Business Representatives the roll-out becomes a success;

3. When the program moves on to France (the next stop on the program roadmap) all the attention is gone and the former Business Representatives are no longer valid and meaningful. Their impact is not endorsed and their talent and lessons learned all of a sudden seem to be meaningless.

The Real Reason Programs Fail

The pattern is quite clear and it happens over and over: first, we ignore talent, then we grow it on steroids, and then we waste it. The results of this mechanism are devastating at three levels:

- ▶ **Talent Management:** large scale organizational change programs are a great way to find and grow talent in the organization, but lacking a proper ecosystem to challenge and grow this talent is like dumping the love of your life after a one-night-stand;
- ▶ **Benefits Realization:** the program is not over until the benefits are realized. However, shortsightedness leads us to believe that optimizing every single project suffices to realize the benefits of the full program. Nothing is further from the truth: installing the change in each roll-out without leveraging what all other roll-outs learned in the mean time is only half the work.
- ▶ **Program Exhaustion:** It is clear that a top-structure of BPO's and BPA's cannot know all the answers by themselves. But lacking a community of knowledge – or rather: being blind to it – burns them out.

*First, we **ignore** talent, then we **grow** it on steroids,*

*and then we **waste** it.*

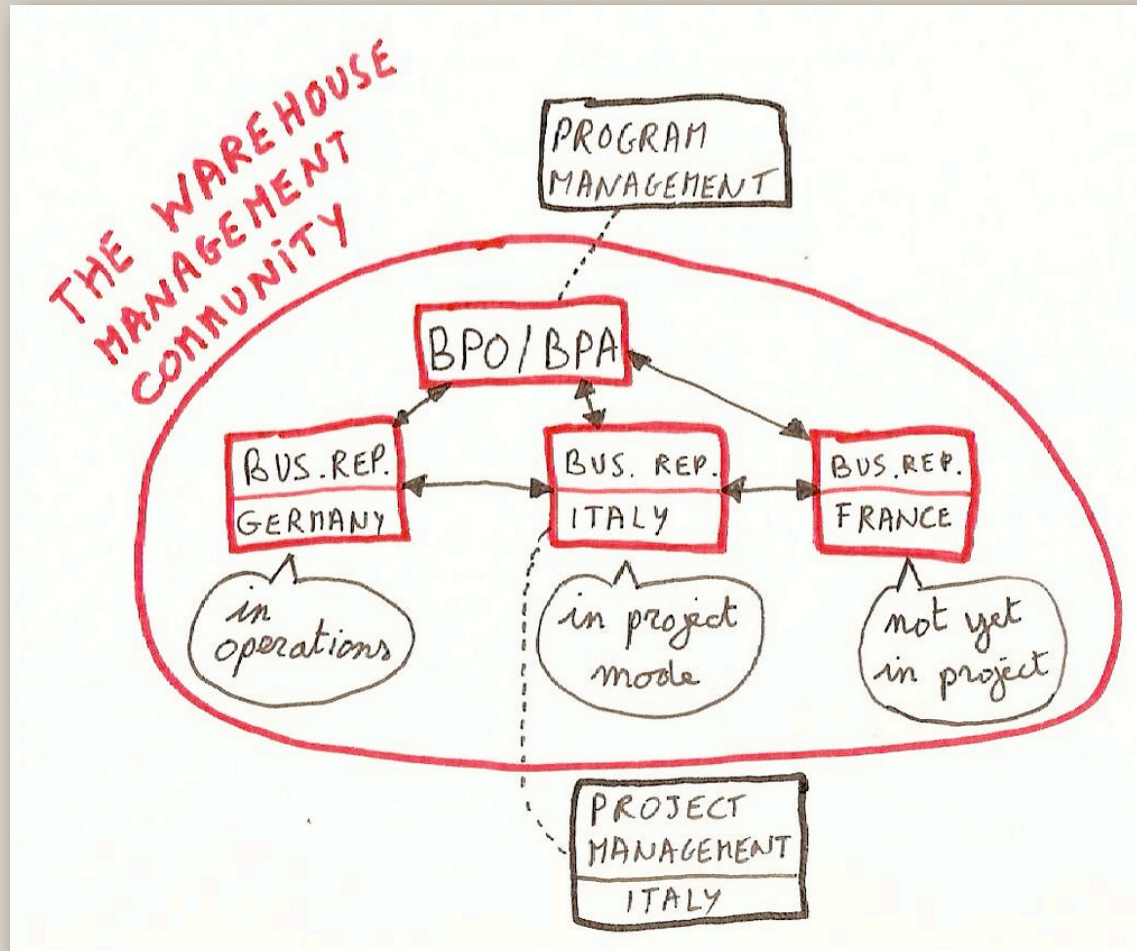
This is the real reason why large scale organizational change programs do not return the benefits they intended in the beginning: **the failure to design a social architecture** – an ecosystem to sustain the program – in the first place; and **the failure to leverage learnings** from roll-out to roll-out in the second place.

Building an Ecosystem

Although this looks like a complex stinking problem, the solution is fairly straightforward and simple. You just need to stay with the problem long enough to discover that the solution is already there.

Social Architecture is about building a platform in order to sustain the change.

The optimal platform turns out to be the community of Business Representatives, as illustrated in the example.



We need to change the way we look at things and reframe the question: the one thing to focus on is sustainability of the program in the long run.

Instead of copying the talent massacre pattern that I describe before, the search should be on what kind of ecosystem is needed before during and after a project-roll-out in order to make sure the benefits of our program get realized and sustained?

The Best Part

The best part is that this community of Business Representatives exists already. The only thing they lack is a platform that is facilitated by a tribe leader: the BPO or the BPA.

*The best part is that this **community** of
Business Representatives **exists already.***

In order to make this community work, there are some requirements:

- ▶ The community leader (i.e. the BPO/BPA) needs the maturity and vulnerability to tap into the community as often as possible;
- ▶ It is important to realize that community leadership does not work through authority. It is tribal in essence; not hierarchical;
- ▶ It is a layer on top of your organizational structure, but not a formal one. Rather than fitting into a job description and being obliged to occupy a position, membership of a community is considered a privilege to belong to a club;
- ▶ It is not restricted to the short lifespan of a local project, but rather it lasts until all the benefits are realized;
- ▶ It leverages knowledge, both horizontally (from project to project) and vertically (between program and projects)

PART

5

Successful programs don't just coordinate local roll-out projects. They provide a platform for the network of relationships that is built during each roll-out. It's called Return On Relationships. That's what Social Architecture looks like from the tactical point of view.

The Tactical Level

In the previous chapter I have discussed the strategic level and I argued that we need to plan for social architecture in a large scale program. In this chapter I will zoom in how programs should be designed to allow for co-creation.

But first things first: before we jump to tactical conclusions, let's have a look at the problem from the tactical point of view:

- ▶ Organizations need people to count on in order to get things done (operations);
- ▶ At the same time they need communities to count on in order to develop and sustain new things (projects).

The inability to build a social architecture during a large scale program will result in a situation where there is no community that the organization can count on.

Anatomy of an ERP Fiasco

An example: in the majority of all ERP programs we find that Business Representatives do not belong to a community when the project is over.

Here is how that typically goes:

- ▶ **Stage 1 – Long before the project:** *the program is heard of and sometimes there is an update in the quarterly newsletter of the CEO. Other than that there are no expectations. People take on a wait-and-see attitude, not knowing that there are a lot of design issues on the table that will impact their work. But the program has a budget and a calendar to perform against, so why should sites be represented that are currently not in scope?*
- ▶ **Stage 2 – Right before the project:** *People are nominated as Business Representative. A declaration that will change their life for as long as the project will last. They have no clue what they have committed to, but one thing is certain: they have jumped and now they will have to swim.*
- ▶ **Stage 3 – During the Project:** *Business Representatives work very intensively with real people: the experts onsite, the central program team and the support team. This phase is very motivating because there is a sense of purpose (representing their department in the program) and a sense of progress (their voice is heard and their participation makes a difference).*
- ▶ **Stage 4 – Right after the project:** *the local deployment of the expert team ends as soon as the operations have stabilized in the new mode (a new system, a new way of working, etc.). Sure enough, there are metrics for knowing when it is time for the expert team to go. The Business Representatives stay in charge for a short period and they make a difference in the battle to get 'back to normal'. Thanks to the knowledge they have built up and the relationships they have within the network of program experts they are valuable troubleshooters. Most of the times they also have super-access rights to solve problems or to unblock certain situations. But their status is short-lived, like the superhero in a videogame possessing supernatural powers until the magic elixir he drank has stops working.*
- ▶ **Stage 5 – Long after the project:** *"Business what?!",... the term Business Representative is forgotten as soon as it came. After they returned to their jobs, they were still asked to solve problems for their colleagues, but they were no longer capable of solving them: their super-access to the system has been withdrawn and on top of that all the relationships they have built up with the experts, the program team and the support team are reduced to submitting a ticket in an anonymous ticketing system.*

Paradise Lost

So far for purpose and progress. Time and again organizational change programs invest lots of energy in the development and commitment of great Business Representatives. And time and again they miss out on the opportunity to connect these teams to a community of BPE's and BPA's.

Major programs are full of overworked and burned-out people on the central level.

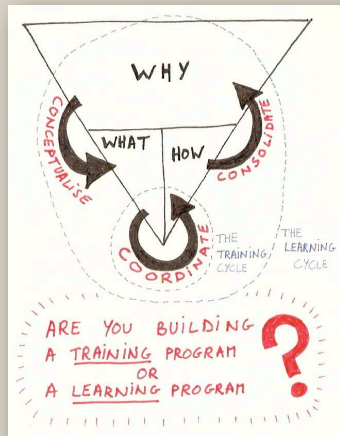
Here is an example of the local tragedy: last week I met a Business Representative who just got back to his former job after the project had stabilized. Returning to his job means that he does his job as he is supposed to – but the “exceptional” part that we saw during the project is now buried until another personally engaging project comes along and gives him the same sense of belonging to something bigger than his nine-to-five job.

In the mean time, have a look at what happens centrally: major programs are full of overworked and burned-out people on the central level. They are trapped in the illusion that they need to know and do everything themselves.

The next thing you know is that they are worn out by the resistance they get from people as they implement enhancements, patches, upgrades etc. without having involved the target audience upfront.

Don't Just Coordinate!

Linking back to
Handy's three C's.
(see page 25)



By cutting the relationships between the program and its projects after each implementation a double spiral of negative effects is set in motion:

- ▶ **Overexposure of the central program team.** They are overworked and saturated. This results in a loss of talent as people will either hide or resign;
- ▶ **Underexposure of the Business Representatives** as they return to their jobs. This results in a loss of talent as people will either return to a smaller version of themselves or try their luck elsewhere.

Successful programs take care of the 3 C's: conceptualizing, coordinating, and consolidating. They:

- ▶ don't just **coordinate** their projects well – the second C,
- ▶ they recruit people based on the **conceptualization** – the first C, and
- ▶ they make sure people **consolidate** the learnings of the project into their relationships.

The return to look for on this level is

the return on relationships.

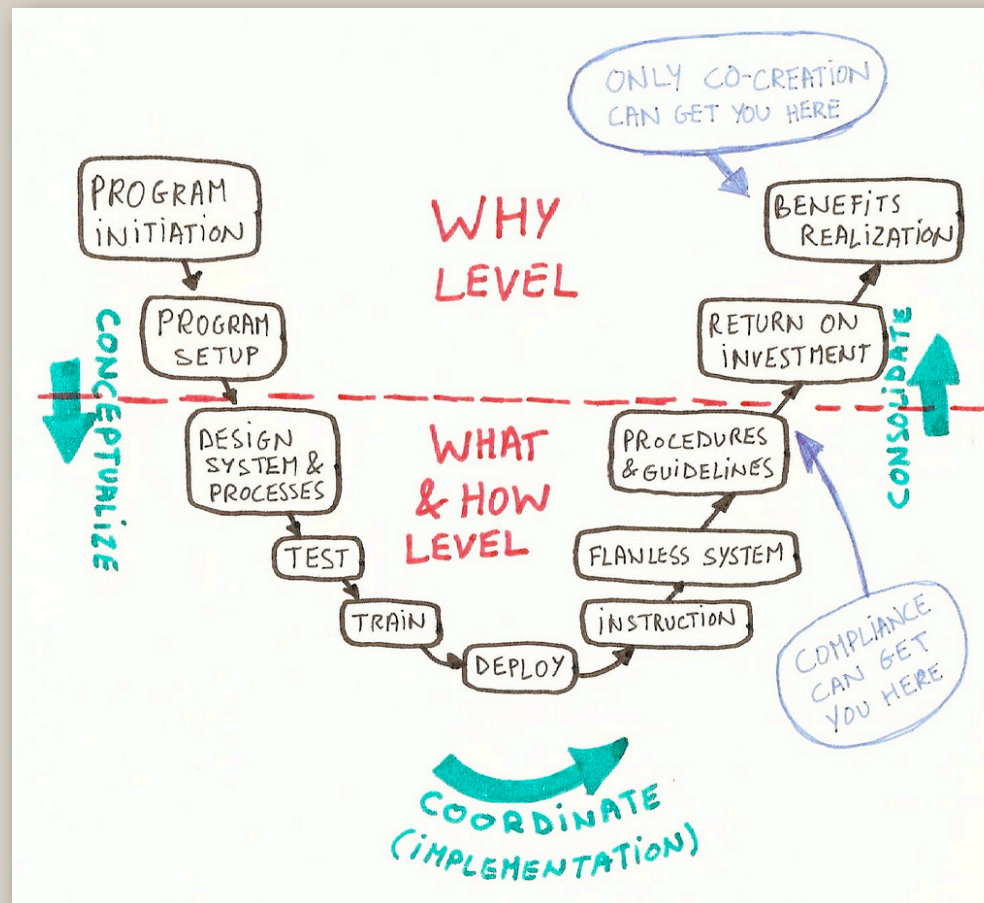
This is what sets social architectures apart from a one-time-effort: they are learning organizations in the first place. The only way to activate all of the three C's is by building a platform for the program's community that acts as a matrix capable of integrating what it learned from previous projects into future roll-outs. The return to look for on this level is the return on relationships.

Three C's & the Program Lifecycle

In this drawing, focus on the red dotted line I have drawn. Below that line are all the actions that happen within the cycle of a single roll-out. This is the cycle that is repeated every time a local project kicks-off. This is the second C: Coordination.

This drawing represents the typical roadmap of a program, starting with the Program Initiation and ending with the Benefits Realization. Each step on the left side of the drawing finds its equivalent measuring point on the righthand side.

For example: the Program Setup is done in order to ensure a Return On Investment; or the act of Testing is done in order to obtain a Flawless System.

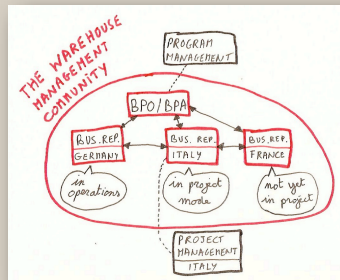


You will note that this shape resembles the flipped triangle that I have introduced in the third chapter. Above the red line is the 'Why' level of a program and below the red line is the 'What' & 'How' Level of a program; the part that is repeated with each roll-out.

Finally, the three C's (Conceptualize, Coordinate, Consolidate) are also drawn on this schedule. You will note that the first C (Conceptualize) and the third C (Consolidate) are the ones linking the Why of a program to the What and How. On a tactical level this is the essence of social architecture: conceiving the project roll-out **from within the program community** and consolidating it **back into the program community**.

The Program Community

Linking back to the example of a community of Business Representatives.
(see page 38)



Crossing the red dotted line requires you plan for a community before you even start the program (conceptualize). Co-creation is the key word here, and you can only get there by building a platform for the community of Business Representatives and program experts.

The point I want to emphasize as we are tackling the tactical level is that this community already exists. This is why almost every attempt to “create” a community will not work: the failure of acknowledging a community (i.e.: a network of relationships) that already exists. Instead of trying to create a community from scratch against all odds, we should focus on being a platform.

Next, it is time for action: a declaration of the program’s sponsor. The sponsor is the one and only person having the power to declare a community into existence. She endorses and honors the community in the first place.

Question: How can a program start being the platform?

Answer: by honoring and recognizing the community. Here are some examples:

- ▶ **ask them for help;**
- ▶ **ask for advice;**
- ▶ **present them the next big challenge and ask for their input;**
- ▶ **give them a stake in the decision process;**
- ▶ **grant them extra power, not only as a trouble shooter, but also as a co-creator;**
- ▶ **Above all, listen to them with your ears, and not with a ticketing system (because, let's be honest, would you give the very best of yourself to a ticketing system or to a community that matters for you?).**

Turning the Tide

The choice really comes down to this: will you take this challenge from zero with a new project team or will you honor the community that is already there? Honoring the community is tapping into their talent and getting a return on relationships.

*There is no bigger **reward** than **honoring** the talent
that is **already** there.*

Honoring the community also means working on retention without having to throw in a bonus or a reward. There is no bigger reward than honoring the talent that is already there. This is ultimately more rewarding for the Business Representatives than financial rewards. Psychologists call this intrinsic motivation: a sense of progress, a sense of contribution and a sense of belonging to something bigger than you are capable of by yourself.

Then – and only then – will people be sparked and make use of the platform you are providing: when their talent is being honored. This results in dynamics that inverse the double spiral of negative effects:

- ▶ **Overexposure** of the central program team is **balanced out** in the community;
- ▶ **Underexposure** of the Business Representatives **disappears as we honor** them by making use of the community.

PART

6

When the rubber of program success hits the road, we see that tribal leadership is the mechanism that makes a social architecture tick. And this urges us to strike a balance between compliance and co-creation.

Operational Level

Sure enough, honoring a community requires a certain level of maturity from the community leaders – the BPE's and the BPA's. In this final chapter I will zoom in on this aspect when I cover the operational level.

From the strategic perspective, social architecture is the only thing that connects an organizational change program to its goals.

Next, I zoomed in on what this connection looks like on the tactical level and it turns out to be essentially about connecting all the stakeholders in order for them to co-create the results. I called it return-on-relationships.

Now it is time to explore the operational point of view: what social architecture comes down to in day-to-day practice. This is when we discover that relationships in a community are not hierarchical, they are tribal.

Tribes

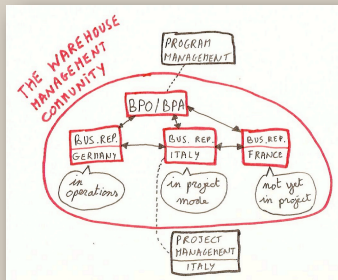
Linking back to the example of a community of Business Representatives. (see page 38)

A tribe is the mechanism that makes a social architecture tick. In his 2009 book Tribes, Seth Godin notes that a group only needs two things to be a tribe: a shared interest and a way to communicate.

According to Godin the role of a leader is to help increase the effectiveness of the tribe and its members by:

- ▶ transforming the shared interest into a passionate goal and a desire for change;
- ▶ providing tools to allow members to tighten their communications, and
- ▶ leveraging the tribe to allow it to grow and gain members.

The shift from hierarchical leadership to tribal leadership makes it clear that social architectures don't need control; they need trust.



*Social architectures don't need **control**;*

*they need **trust**.*

Tribal leadership of the Business Process Experts (BPE's) and Business Process Architects (BPA's) is necessary here. The example of the Warehouse Management Community I presented earlier is not a legal structure with binding function descriptions. Instead, look at it as a tribe.

Honoring the Tribe

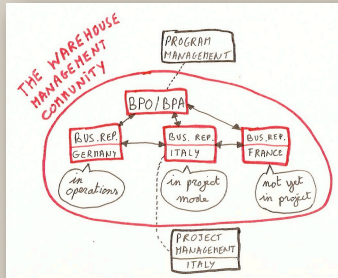
Linking back to the example of a community of Business Representatives. (see page 38)

The power of a tribe lies in two simple things:

1. the intensity of their communications (the black arrows), and
2. the reinforcement by the program sponsor that legitimizes a safe space for them to form a tribe (the red circle)

Unfortunately we often find that BPE's and BPA's lack the maturity to lead their tribe. Maturity in this case is the ability to say "I don't know and therefore I need the help of my tribe of Business Representatives"

This requires the tribe leader to be vulnerable and mature. The paradox for the tribe leader is the following: the more you are ready to admit that your don't know and that need help – to the same extent you will be honoring your tribe.



Question: Where does the knowledge of the tribe reside?

Answer: In the community.

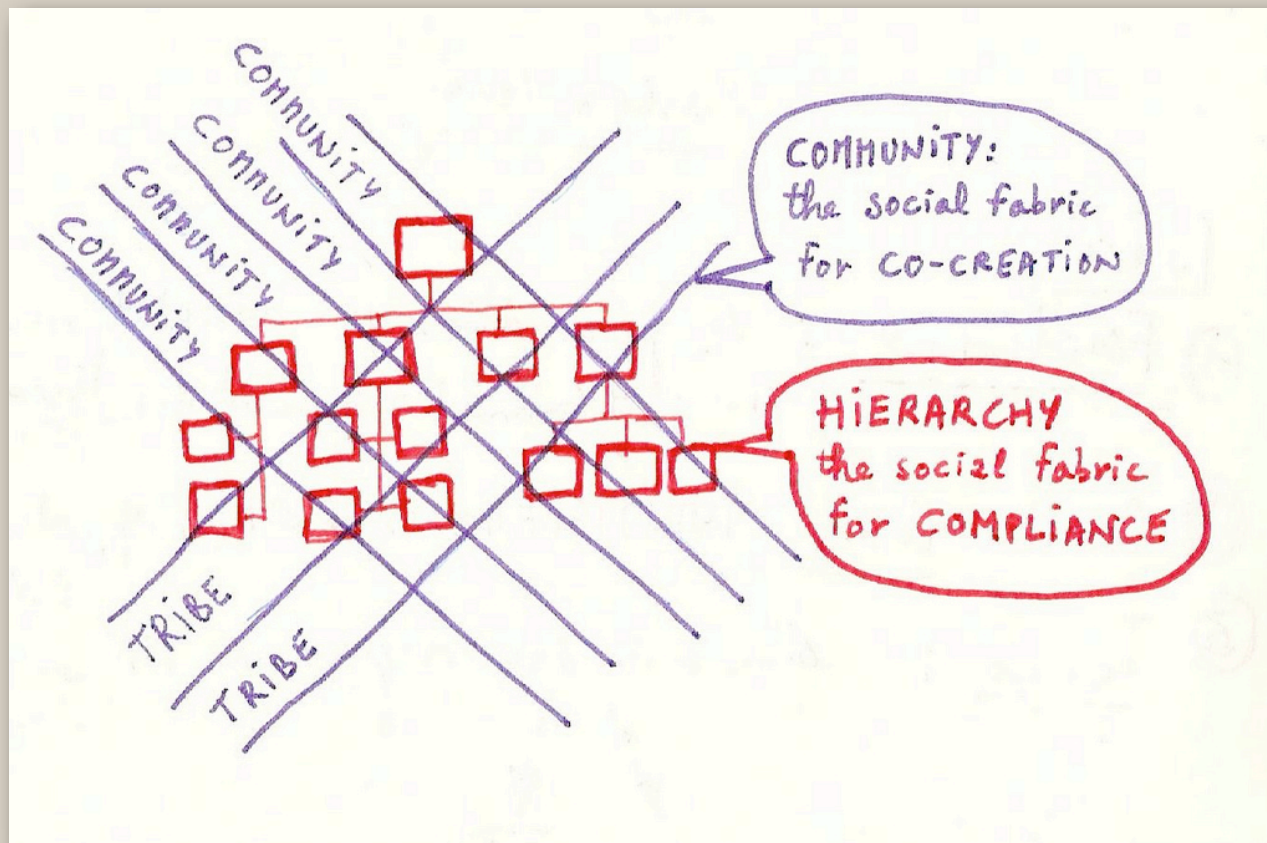
Question: How do you tap into it?

Answer: By honoring / challenging the community: trust them to solve a problem. Praise them for a problem well solved.

Knowledge that Matters

The knowledge that is needed to determine whether a problem is bad or a whether a solution will work resides in the community. Not in the head of an individual, but in the relationships.

This is what Social Architecture looks like: a combination of hierarchy and community.

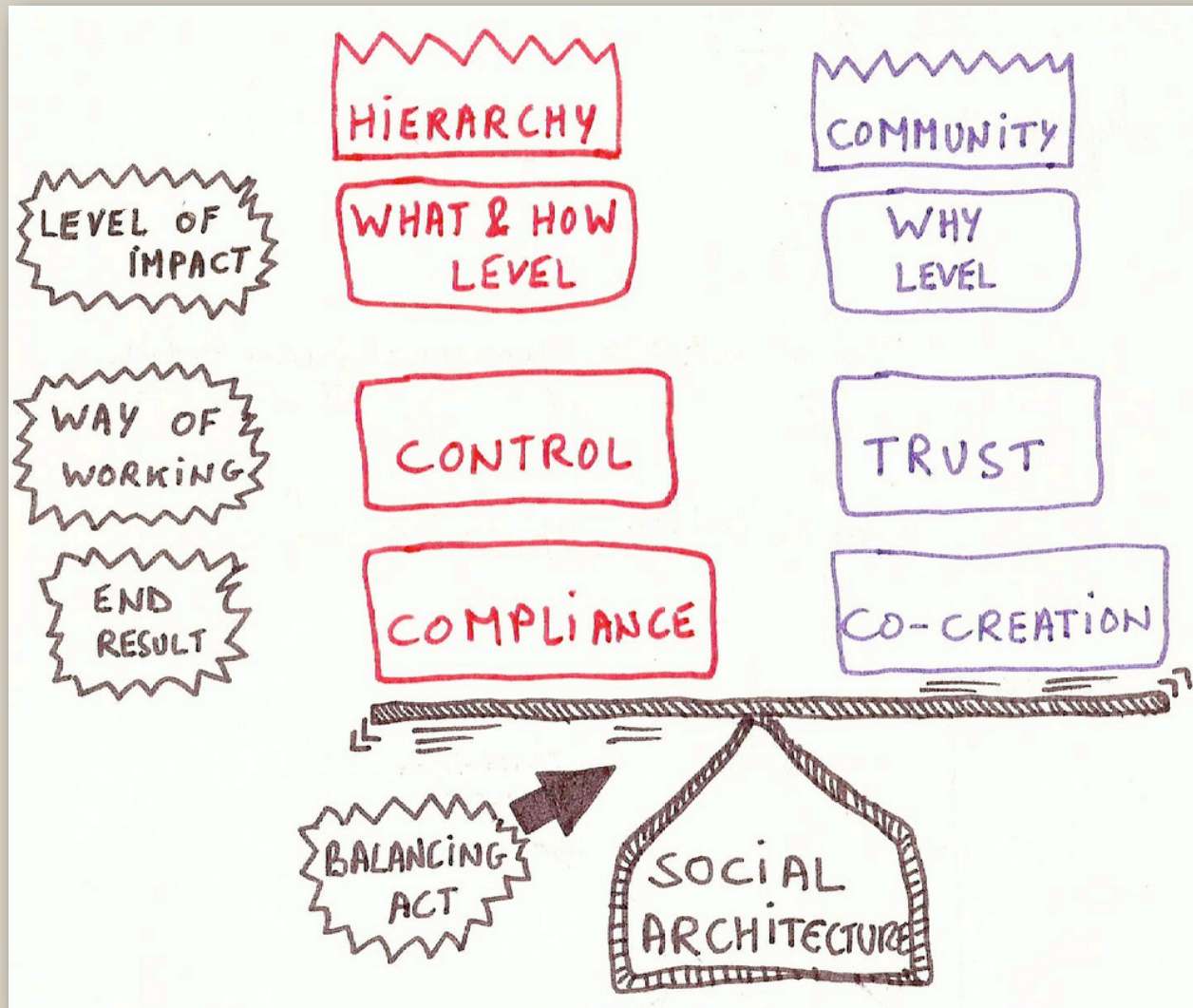


It is the tribe that is being built as a result of the change program that will determine whether a new change or enhancement is relevant. That is: if you are brave enough to trust your tribe with this assignment.

Knowledge is in the co-creation, the problem solving and the sense making process of a tribe – only to the extent that they are trusted by their leader.

Balancing Act

Social Architecture is a balancing act.

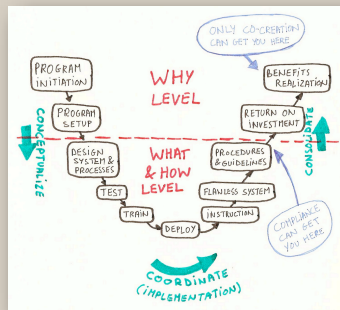


Organizing for Social Architecture is an expedition where the success demands polyvalence, flexibility, knowledge of details, creative problem solving, trust and – above all – the right balance between hierarchy and tribalism.

The one thing you need to know is that tribalism and hierarchy impact different levels of a change program. In the end, you will be needing both; it's just a matter of knowing which results you want to achieve.

Now What?

Linking back to the three C's and the program lifecycle (see page 44)



Mind the gap please! Command-and-control only works if you want compliance, until you hit the ceiling of the What & How level.

Crossing the border from this level to the Why level (Benefits Realization and ROI) requires involvement of the tribe in the conception upfront.

Question: So should you just lay back, throw everything you know over board and wait until this tribal mumbo-jumbo comes falling out of the sky?

Answer : No. The only thing you should do is stop sprinting, because this isn't a race. It's not even a marathon.

If you want people to deliver on the why level of a program (the benefits realization and the return on investment) you need more trust and involvement.

Benefits realization is the weak spot; the uncharted part of the expedition. Only tribes can slug out the realization of benefits. By now you will understand that a social architecture is not an overnight success story. Rather, it's a succession of small steps that all point in the same direction: **return-on-relationships**.

Change programs are the best environment to start-up co-creation. So what are we waiting for?

about

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- ▶ This ebook was created on January 10th, 2011 and you are free to to copy and distribute it as it is; as freely as you wish.
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Good luck. Have fun & thanks for reading!