



Thinking and Working at the Enterprise Level

Personal Views from a Battle-Scarred Veteran and Some Points of Consensus

by J. Robert Carleton

Thinking and working a Human Performance Technology (HPT) agenda at the enterprise level is, from my perspective, quite different from applying HPT at the individual or personal level. I authored an article in the March 2005 issue of *Performance Improvement* titled “HPT: Focused on Individuals or Focused on the Enterprise.” In that article I tried to make a case that the difference is a bit more than simply a matter of scale, which is what some of our colleagues believe.

In this article I will attempt to go beyond the broad concepts in the previous article and provide practical tips or guidelines for dealing with HPT issues at an enterprise level.

The paper is divided into two sections. I will first give some general principles I have derived over the last 30 years in the trenches and follow that with seven “lessons learned” that in my experience seem to generalize across most enterprise-level HPT activities.

The second and shorter part of this paper is a review of what seven veterans from six different consulting firms working at this level have come to consensus about regarding working at the enterprise level. That section will also touch on what we are still having very open discussions about—without consensus as of yet, other than agreement that these are issues very worthy of continuing thought, dialogue, and applied research.

Personal Views

In my 30-plus years in the trade, both as an internal practitioner and as a consultant, I have developed a number of general principles that I feel provide insight into the reality of dealing with organizational phenomena and useful principles to keep in mind when operating at this level. I humbly offer the seven most poignant ones.

Seven Basic Principles

Organizational effectiveness (OE) is more than just “results.” The term “organizational effectiveness” is now working its way into our professional vocabulary and, more important, into the general business press and awareness. As clear as I think the term is, I have been surprised during discussions about OE with some colleagues to realize they seem to think it is all about results—and by results they mean organizational outputs to customers.

Although output to customers is indeed a big piece, OE means considerably more than that on an enterprise level. It also includes how the organization goes about producing those outputs.

The OE task is truly about getting the organization to function more effectively, and that deals more with the internal processes—physical *and* social—than the eventual output. Most of us seem to understand that OE does indeed relate to the processes used to produce the output—but far too few of us seem to realize that the social process is as critical to OE as is the engineering of the work flow.

A classic example of the interdependency of social process and work process can be seen when trying to implement a concurrent engineering approach to product development. Although you can “relatively” easily require all the appropriate people and functions to take part in all stages of the development process, if they do not value and give serious consideration to the views of the others in the room, the result of the work flow changes will be to slow down, potentially even stall, the entire product development process.

System: The whole is greater than the sum of the parts. A basic tenet of “system” is that the whole is greater than the sum of the parts. The consequences of this phenomenon are notable. It implies that there is something in the system that you will not uncover by looking at the constituent parts of the system in isolation.

In spite of our supposed system awareness, it seems that time after time I read articles and hear presentations that cover needs analysis and limit the activity to the immediate unit or function, with no reference to the rest of the system. This means that the problem or opportunity is analyzed and an intervention designed without the knowledge of “essential” properties.

What does this mean in practical terms? My solution has been to take any potential project and, rather than start with the problem or opportunity and drill down to its various parts, first broaden out from the target unit into every unit or function that interacts with the target *before* I begin to drill down. I refer to “understanding the context” before attempting to understand the target situation.

Organizations are by definition dysfunctional. To again paraphrase Russell Ackoff (1999), “Managers don’t solve problems, they manage messes, and there is a new mess every day.”

Anytime there are more than seven people involved in anything—or more correctly five people plus or minus two—communication alone makes aligned clarity impossible. Even with well trained and intelligent people if there are more than seven involved all kinds of forces take hold to create dysfunction. There is data about this in social psychology research, group dynamics research, and communications research. The interpersonal communications data alone show that getting *anything* crystal clear to a larger group of people so that they all view it in the same way, with the same understanding, same priorities, same assumptions, and same expectations is darn near impossible. What people will “read

into” words and actions will vary, often quite widely, based on a host of both group and individual factors.

The trick to success is to build into the organizational norms robust processes to surface and effectively deal with dysfunctional issues as they arise—knowing full well they *will* arise in one form or another every day.

Why do so many in our field continue to design interventions that they feel will resolve things on some kind of “permanent” basis? To assume you have “fixed” anything without including social or management processes that will surface and resolve disconnects as they happen is an exercise in futility at minimum.

Organizations are heuristically guided; it is not an algorithmic process. Herein lays one of the most fundamental differences between HPT at the individual level and HPT at the enterprise level. In any individual job or task there may well be elements that are “cookbook like” in their application—a nice clean linear process that says first do A, then B, and then C.

Organizations, and management and supervision in particular, do not function effectively in an algorithmic manner. There are potentially many complex and diverse variables that must be taken into consideration when attempting to deal with variances from what was intended or desired, and many of those variables are in the social interactions and networks domains. Organizational issues, as well as management and supervision issues, need robust heuristics to be effective—not cookbooks!

Yet when we are trying to move up the ladder from individually focused actions to group and organizational focus, our schools appear to be turning out HPT people who have never even heard the word “heuristic,” much less those who are able to define it or build one.

One of my litmus tests for whether a person is working effectively at the group or enterprise level, or dealing effectively with any management topic, rests with their understanding of heuristics. Simply put, if you can’t define the word and understand what it means, you are *not* prepared to address *any* group, organizational, or management issue. If you try, you are more likely to make things worse, not better.

The complexity of a solution will always approach the complexity of the “problem.” I have had a number of colleagues over the years regale me with “simple” solutions they devised to solve what appeared to be complex situations. So far, with no exceptions, all they have apparently done is to ignore many aspects of the problem (usually social, political, values, and aspects) and claim success based on an immediate trial and measure—while 90 days later the same problems, or variations on them, are rearing their heads.

Solutions with staying power must accommodate all the variables at play around any given situation. Furthermore, the potential variables multiply with each person who is involved in any particular issue, and the same goes for each additional function or group that is involved.

The only simplistic solutions that exist at the enterprise level are in terms of high-level overarching principles—the operational detail will be quite complex and require a number of heuristics, many of them in the social domains, to achieve resolution.

Group-based phenomena require group-based methodologies. Individuals do not behave the same in groups as they do when alone.

Even individual contributors who are each doing individual tasks without overtly involving anyone else, but in a group setting, are not operating truly individually. Group interviews and focus groups (they are *not* the same) are necessary tools for analysis, and group settings (at least to some degree) are a requirement for delivery of effective solutions.

Systematic interventions are not appropriate for use in living systems. Let us get grounded on the word “systematic.” I offer the following from the online version of *Webster’s Unabridged* (leaving out etymology and some totally unrelated definitions):

sys-tem-at-ic (*adjective*) **1 a:** expounding a subject or covering a field thoroughly according to an orderly scheme or plan <*systematic* study of market movements and consumer demand, a *systematic* treatise, a *systematic* scholar> **b:** reduced to or presented or formulated as a coherent body of ideas or principles; offering or constituting a complete scheme, outline, or classification <*systematic* philosophical thought> **c:** marked by or manifesting system, method, or orderly procedure; following or observing a plan; **methodical, regular** <*systematic* examination of the terrain was begun, as a workman he was *systematic*>. **synonym** see **orderly**.

I have never seen a thorough analysis or successful intervention at the enterprise level occur in an “orderly manner.” Groups and organizations are indeed like the proverbial onion—you deal with it a layer at a time and are never quite sure what the next layer will unveil.

The only part of the definition of systematic that I can conceivably apply to what occurs when operating at the enterprise level would be 1c above. We do have processes and tools that together are starting to form a coherent body of principles and ideas—assuming we can step back far enough from any individual application to see them. Another of my favorite quotes that applies here is from Field Marshal Foch of World War I fame: “No plan survives contact with the enemy.”

The reality is that both analysis and intervention are somewhat chaotic and unpredictable. Don’t get me wrong—you need a plan, both to realize when events are not happening the way you thought they would and to have a reference for what you were trying to accomplish before you had to “step back and punt.” What you need is a good toolkit of processes and procedures to use when the unexpected occurs that will keep you moving in the right direction.

To go back to a previous point—both the analysis and implementation phases of enterprise work are at best following a heuristic—not a traditionally systematic plan or order of doing things.

Seven Lessons from the Battlefield: Hard-Won Insights

Deconstruct before you construct. Patterns of behavior do not occur randomly. If there are reasonably consistent patterns of behavior, something is maintaining or reinforcing that behavior. Before you start building new behavioral repertoires, you need to “unplug” the factors that are at play in maintaining the behaviors you do not want.

Perception, expectation, trust, and commitment are critical variables. I have yet to meet anyone who will disagree with the notion that people’s perceptions and expectations have a bearing on what they see, hear, and do. Nor have I ever heard anyone argue that if the target population has a mistrust of what they are hearing, or are not committed to making things different, it will not really matter.

HPT interventions that do not have plans to manage, and where necessary modify, these variables are not going to have any staying power and often will not even get off the ground.

“Time” appears to be a routinely underestimated resource constraint. The reality is that every day most people make decisions as to what they will do and what they will not do from among the list of things their organization is asking them to do. I contend you can learn as much in an analysis by finding out what is *not* done as you can from what *is* done.

Further, if your intervention includes asking people or expecting people to start doing something they have not previously done, being realistic requires that you include what they can stop doing to make time for what you want them to do. This is even more important around totally new behaviors, which always take additional time until you eventually become “fluent” in the new behaviors as applied on the job. Rarely have I seen a new corporate initiative calling for new behaviors that includes guidance on what people can stop doing to make time for the new behaviors—much less an honest time-and-motion analysis to empirically match the new behaviors to the things they can stop doing.

Incorporate this issue into all interventions. If you are going to *take* time you also need to *give* time.

Cross-functional phenomena are a pervasive effectiveness issue. So far I have yet to find an enterprise-level issue that did not include problems with cross-functional relationships. In spite of Geary Rummler and Alan Brache's (1995) call more than 10 years ago to "manage the white space" on the organization charts, we as a profession are too often negligent in providing tools and procedures for doing this managing. This is particularly so in terms of the perceptions, expectations, and trust between groups in the organization.

How operations people views sales (as only one example), and vice versa, are very relevant variables and need to be managed.

Competitive edge often resides within areas of discretionary effort and energy. "Going through the motions" and "rising to the occasion" are terms I hear often when executives are discussing effective versus non-effective behaviors in the workplace—particularly when talking about dealing with the unexpected. Exemplary behavior, taking that "extra" step or "rising to the occasion," is something people do because they *want* to do it. Working at the enterprise level often, possibly always, should include processes and methodologies to enhance the commitment and enthusiasm of the members of the enterprise to the success of the organization.

That is the kind of behavior that people choose to engage in because of their commitment to the success of the organization—not because it was required.

Make sure all interventions include the property of enhancing commitment and enthusiasm.

Values are critical to weathering unanticipated crises. At the enterprise level, unanticipated crises are, at least over the long term, something you can count on happening. How do people respond to the unanticipated? Unless you truly think you can anticipate and develop procedures for any and all phenomena that might arise, you are going to need some guiding heuristics to get people through these crises when they occur. In this case I am talking about the heuristic of "organizational values." Basic principles need to be in place that will guide behavior when the unexpected or bizarre occurs and a quick response is necessary or the organization will be proceeding blindly.

Cascade effects are fundamental organizational phenomena. As information flows up, down, and across the organization it will get altered. Even without malice or hidden agendas it will get altered. People will hear, anticipate, extrapolate, assume, recall, and infer in varying ways. It is simply part of the human condition. If we want effective and focused organizations, we need to have mechanisms to track, measure, and modify as necessary these cascade effects throughout the organization. We cannot stick our head in the sand and focus solely on the accuracy and thoroughness of the initial announcement or request. With the best of inten-

tions information will get altered and reinterpreted as it goes around the organization. Plan on it and plan for it.

Consensus Views Among a Group of Veterans

A few years ago a group of seven people from six different firms started getting together to compare notes and seek common ground in hopes of advancing our collective knowledge of the field. None of the firms had the same client focus.

As a balance, or supplement, to my personal views, I provide a few nuggets from our "collective consciousness" that evolved from those discussions.

Six Points of Consensus

Organizations are "living" systems. Living systems are not the same as mechanical systems. Individual cogs in a mechanical system do not recall what happened yesterday and let it modify what they do today. They do not anticipate, perceive, or infer. They do not compare notes. They do not carry the conscious baggage of past, present, and future. In fact, the cogs are not cognizant, and that is a distinct difference between living and mechanical systems.

Scope and rigor are vital. The more complex a situation is, the more critical it becomes that the scope is wide enough to encompass all relevant variables. You might say that at enterprise levels the default position is to broaden the scope up to the point that you can document no relationship at all to the phenomena under investigation.

As things get more complex, the rigor of the procedures used becomes more critical. There are so many potential relationships and impacts that precision in what you are doing and intending is critical if you are to have any faith in your analysis or intervention. Rigor is particularly critical in regard to qualitative data gathering—and qualitative methods are a critical piece of analysis into the impact of management and supervision, as well as the impact of group dynamics on performance.

The Gilbert (1996) model does not account for all group and multi-group phenomena. When working at the enterprise level you are dealing with group and multi-group phenomena. These are things that do not seem to be covered sufficiently in Gilbert's model. By way of omission, it falls terminally short of some very critical issues.

The organizational scan model (Carleton, Daniels, & Tosti, 1979; Carleton & Lineberry, 2004) is a good "search grid" for analyzing and planning enterprise-level activities. When working at the enterprise level it is very helpful to have a tool to help organize and track the many variables that may or may not be involved in any particular enterprise

issue. The organizational scan model is pretty good for accomplishing this purpose. None of us had a better model to recommend.

The alignment model (Tosti & Jackson, 1994; Carleton & Lineberry, 2004) is a reasonably good representation of the broad factors that need to be managed. At the 20,000-foot level the issues at play in creating effective and aligned organizations are the strategy, the culture (or if you prefer, the behavioral norms), and the infrastructure and how those three broad phenomena interact. The alignment model is a useful artifact for explaining this to the denizens of the organization and can considerably enlighten their future activities.

Diagnosis and interventions are iterative. You never know what you will uncover until you start digging, and you never know what “other” issues an analysis or intervention might trigger. All you can know with high reliability is that as you start your diagnosis additional issues will surface and you will have to modify your diagnosis as you proceed to incorporate the new factors.

The same is true of interventions. As you begin to change things, new “issues” will surface and need to be accounted for. In simple terms, fixing one thing will allow other issues that were potentially not conscious to become conscious and an issue. As people’s awareness grows, they will also become aware of things they did not think about when you were doing the analysis.

All things appear to be iterative at the enterprise level, which also means that intervention and analysis activities may well overlap. One of the largest bodies of research into organizational change was done by W. Warner Burke (1995) when he was at Columbia University. From that research came the interesting finding that one of the most predictable signs of progress in dealing with any particular organizational problem is that “new” problems would begin emerging.

Five Points of Continuing Discussion

- **Leadership and management:** Are these variables that need to be accounted for and incorporated into any enterprise project, or can they be engineered around?
- **Emotional sets:** When and how should these be dealt with, if ever?
- **Politics and power:** When and how should these be dealt with, if ever? Can they also be engineered around?
- **Differences between intervening in dynamic processes versus static (stable) processes:** Some organizational processes are highly dynamic, with no two applications of the process exactly duplicating each other. Other processes are highly stable with little if any variation in their application. Are there different approaches to each, or is the difference irrelevant?
- **Validated interventions:** When you are dealing with

diverse and multifaceted interventions—which is almost always the case at the enterprise level—so that each enterprise intervention is effectively a “one-of-a-kind” design, how do you arrive at validated practices?

And there you have it—one HPT professional’s views of the practical differences and issues of applying HPT at the enterprise level, juxtaposed with the consensus views of six other equally, or even more, experienced veterans.

Let me close with an invitation to readers of this article who possess data. If any of you has data that clash with any of the comments and views above, and particularly with my personal views, I would welcome a dialogue. Please come back to me and let’s talk. As the closing five points above clearly indicate, there is almost certainly more to learn than we have figured out so far. 🙏

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