Learning to Ride a Bike

"Leadership is not a thing someone does but an effect they create."

I consulted with a large wood products manufacturer some years ago in Wisconsin. I met the CEO, we'll call him Jim, at a large industry event in Washington, D.C. and we connected over lunch to discuss his business and areas he knew he must correct. In his late fifties, Jim was still very high energy, hands on, and highly directive leader. His years in the wood products industry and investigation into almost every facet of it gave him, as he put it, "an upper hand" in almost every conversation with his staff and colleagues. His determination, business savvy, and broad industry knowledge helped him to build a larger multi-division company. As owner, it also gave him total command. As we began our conversation I asked him to describe his day for me, or what it was like to be him for a day. After a 30-minute dissertation from Jim it became obvious to me that through all of his success building his company he had neglected to build an effective structure or develop a group of leaders to support it.

After a few weeks we agreed to the terms of my consultation with his company and over the next couple years I would work with his staff at several of his manufacturing plants. My perceptions that day in Washington were confirmed about the structure and the 'management' I found. Great people, honest people, working hard to please someone they felt they could never please. Leaders resorted to being managers after losing every conversation or exchange of ideas with the owner. In the end, workers carrying out the request of an owner. This was a common theme across the facilities I visited. My relationship with Jim and our communications were always very professional and constructive for the first year. After building some credibility with him I began to broach the subject of succession planning and the early stages of passing more autonomy to his locations to foster leadership and ownership behavior. It was obvious to me that his business had stagnated and that the next level of success and growth would require him to "pass the baton" of decision-making and to develop leadership at the site level. This topic and his perception that independence outside of his control would hurt his company began to challenge our relationship. Within six months our time together would pass and he was off to another advisor.

Over a period of years I've worked with many owners and managers like Jim. Most often they are fueled by the belief that their heavy involvement and direction is the reason for success,

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when in reality it is the suffocation of growth and prosperity for the company and those who work within it.

What is the difference between management and leadership? I am sure if you asked yourself and a thousand others the same question, each response would be slightly different, although there have been thousands of answers, and all good. The reality is that it is hard to define leadership specifically as the experience of being led because the expected outcomes are different for everyone. In its purest form and as stated earlier in this book, often individuals never realize they are being led or understand the benefits they are receiving until reflecting back or feeling the loss of leadership after the leader is gone. Leadership is not a thing someone does but an effect they create. As I further introduce a proposed organizational structure and, more specifically, the Organizational Circle, I think it is important to speak in more detail about leadership and the effects of it. I hope that you will consider a broader line of thinking. Leadership can be perpetuated, replicated, and nurtured by individuals but its effects can be enhanced by a well-designed organizational system. So, with that said, let me introduce a structure for the 21st century.

The organizational structure I began to discuss in the previous chapter will require you to think differently about work, authority, individual contribution, career paths, and the skills needed to function and perform in this regenerative structure. This structure will be a paradigm shift as most of us working have only ever known organizations to operate, communicate direction, on-board, and utilize individuals a certain way. In this chapter I will hope to further introduce the Organizational Circle and why I believe it is from this structure that the maximum effectiveness and efficiency can be attained.

Something to consider before we begin
We are born into this world much like we leave it, at peace, needing to be cared for, appreciating encouragement, and seeking direction. I've believed for many years now that we all, no matter whom we were, or who we've tried to become, are in fact those who we were when we were born, plus our experiences. With each passing day, with each passing experience we evolve, and always from the very core person we were at birth. We each have our own unique physical and mental DNA. Some amount of physical and mental work can be done to modify either, but at our very core we all are who we were when we were born. I think it

is important to establish this line of thinking as we open this chapter on organizational structure and begin thinking about each other and how very similar and how very unique we all are.

I want to begin by introducing a very basic thought that will be the basis for our discussion on people working together. To facilitate this concept I am going to take you back to a time when you your life was very basic. A time when the world for you was much smaller and your life was much simpler. I want you stop, close your eyes and think really hard about the very first time you learned to ride a bike. For each of us this memory will be a little different for a host of reasons. But, no matter what your memory is of this event, one thing is for sure, no matter how old we are we always remember the first time we learned to ride a bike. Before you read any more I want you to stop, and think hard about that day, how you were feeling, who was there to help you, what you were riding?

For me, my first venture on a bike came in 1971. My parents had bought me a brand new orange HUFFY bike for Christmas. Growing up in rural New Hampshire this meant 5 to 6 months of agony waiting until the end of April before the pavement could be seen again and it was safe for a five-year-old and a first time rider to make his test run. Nearly all of the kids in the neighborhood were older and already riding their bikes so training wheels for an interim test period was simply not a livable situation with the neighborhood gang. It was a Saturday, sunny but still quite chilly for April. My dad was home from one of his road trips so I asked him if he could teach me how to ride my two-wheeler, just the two of us. We went to the garage and after the typical twenty-minute safety discussion and merits of proper bike maintenance I was ready to ride. I was really excited, thinking of the places I could go and the new freedom I would have.

I was also really scared to fall or even worse, to fail.

We walked the bike out to the road, which was very wide, very long, very strait—perfect conditions, I thought, for a first-time rider. My dad picked up the bike when we got to the end of the driveway and set it down facing directly down the road. I straddled the bike and I put my hands on the handlebars. Holding the back of my bike seat my dad said "Mark, when you start to peddle I will run beside you and I won't let go until you tell me ok." I looked up to see my dad's face and knew he meant it. It was the same look of certainty and unconditional support he would provide me throughout my childhood and as an adult. Those few words removed much of the fear and I began to peddle. At first, it was very slow and with very little balance or control.

Then little by little my speed built faster and faster and my dad, as he said he would, was running beside me, still holding the seat. At the end of the street we stopped, turned the bike around and my dad said, I think you've got it. "Let's try going back and if you feel you have your balance you can tell me to let go and I will run with you until you say ok." We began again and within a few pedal strokes I felt like I was ready and said, "Ok Dad try letting go." My dad, who was huffing and puffing by now, said in a really excited voice, "I already have," and the rest, as they say, for bikes and me is history. It is a memory I hold onto and something I was able to experience and pass on to my children when they learned to ride their first bike.

Why did I pick this event to begin this chapter you might ask? Because, it draws on several relevant topics and elements of true leadership that I want to cover in this chapter as we dive deeper into 'the art of leading from behind' and more specifically about the Organizational Circle. If you consider that you are whom you were when you were born plus your experiences, then how does the experience of learning to ride a bike as a very young boy or girl help us to experience leading others or being led as an adult?

Let's start by looking at my needs as a young boy wanting to learn to ride the bike. It was important to me, it would provide me a tool to experience new things, and gain some freedom to be with my friends. My limitations were that I thought I could do it but was not sure and I was afraid of falling, hurting myself, failing. I was afraid that I wouldn't be able to do it and without being able to ride I would be left behind by the others in my neighborhood. So, the importance level for me to succeed at that time was significant. I also wanted to learn to ride in the safety and privacy my dad could provide outside the ridicule of my friends. I trusted that whatever the outcome that it would be safe. For my dad he wanted me to learn to ride the bike so he and my mom could see me enjoy the gift they had provided. Also he was motivated to see me be successful quickly so he was not running up and down the street for the entire day and could move on to other pressing needs of our family. Yes, this is a special moment parents experience with their children but you know what I am driving at here. The bond between my needs and my dad's motivation was the trust I had in my dad to not let me fail and the belief my dad had in me that I could learn to ride the bike.

If you can take this basic analogy and my experience learning to ride a bike and connect the same premise to the core concepts of effective leadership you will find many parallels. It is important as we begin the discussion on the organizational structure to remember the direct

correlation between experiencing and accomplishing something with others and effective leadership.

In the traditional organization and most I have been a part of or witnessed, management is required to oversee a defined group and ensure that the mission and key elements of the business strategy are realized. In most cases leaders are incentivized and compensated to do just that, oversee that employees do the job they were hired to do and deliver the needed results. Given that a manager is compensated better to manage and even better when he or she achieves company's goals it fosters drives three counterproductive behaviors:

- Top down decision making is predominate as the manager is provided all of the critical information and authority needed to conduct operations.
- A focus and execution of the status quo by their managers who are focused on a time tested method of delivering results. Any change would represent risk of failure and risk of promotion, or even worse, the loss of employment.
- Hiring and training people for the current rather than the future needs of the organization.

The organizational structure is the foundation from which all businesses execute and communicate their strategy. Organizational structures are one of the most important elements of starting, growing, and sustaining a company's culture and vitality. Organizational structures provide a significant number of critical components that make the difference in how your business initiates, communicates, and reacts to the marketplace and the needs of stakeholders. How the organization is structured is as important as those who work within the structure itself. The behaviors listed above are restricting the flow of communication and information, suffocating innovation, and eliminating the fertile culture needed for leadership all areas to exist and thrive. Even with the best talent, companies with poorly designed organizational structures fail to be competitive. And as we know, and was illustrated in Chapter 5, most organizations are structured in a top-down manner: a layer of C-suite executives, a layer of directors, a layer of managers, a layer of supervisors, etc. This is typically represented in a pyramid or a chart.

Why do we need to change our thinking and approach?
As we've discuss throughout this book the speed by which business is conducted today has outpaced the efficiency of the traditional organizational structure. With the evolution of the personal computer, the intranet, smart phones and social media the reaction time to adjust and

respond to market changes is now days and weeks rather than months and years. The ability for large multi-tiered corporations to construct and disseminate business plans efficiently to all levels of their organizations at the pace of market changes is no longer efficient. The effectiveness of enabling a single group of executives to access the market place, anticipate tomorrows needs, and provide one-way direction to front line and middle management employees is no longer is reliable.

Many existing companies are already experiencing this phenomenon across broad sections of the global economy. Most however do not realize it is their structure. Instead they expend more resources and capital on training, marketing studies, customer surveys, to find our why their customers have left. They change out leadership, redesign compensation plans to drive behaviors the company wants and expects to happen. They increase reporting and meetings to pore through more and more data to establish where the issues are. All of this of course pulls them further and further away from the only people that can provide them the answers. The customer and the Drivers in your organization that are interacting with them.

We've learned that there are a tremendous amount of options for today's consumer with every product category and service type. Today's want becomes tomorrow's necessity. Decades ago automotive innovations such as power windows and door locks were merely options for consumers. Back then it took a few years and model changes before these options became standard components that were expected by the consumer. Today's technologies and the transition from wants to needs by consumers are happening much faster. Industrialization and expansion of the global economy has increased competition, innovation, and the delivery systems needed to bring them to market. The companies who can anticipate tomorrow's market desires and convert them into customer expectations efficiently and profitably today will lead their industries. The most efficient way to hear what the consumer is saying, experiencing, needing in order to anticipate these expectations is to employ an operational structure that creates the broadest exposure to the market with the shortest distance to those who can create change. It is for that reason that a more effective and efficient organizational structure is needed.
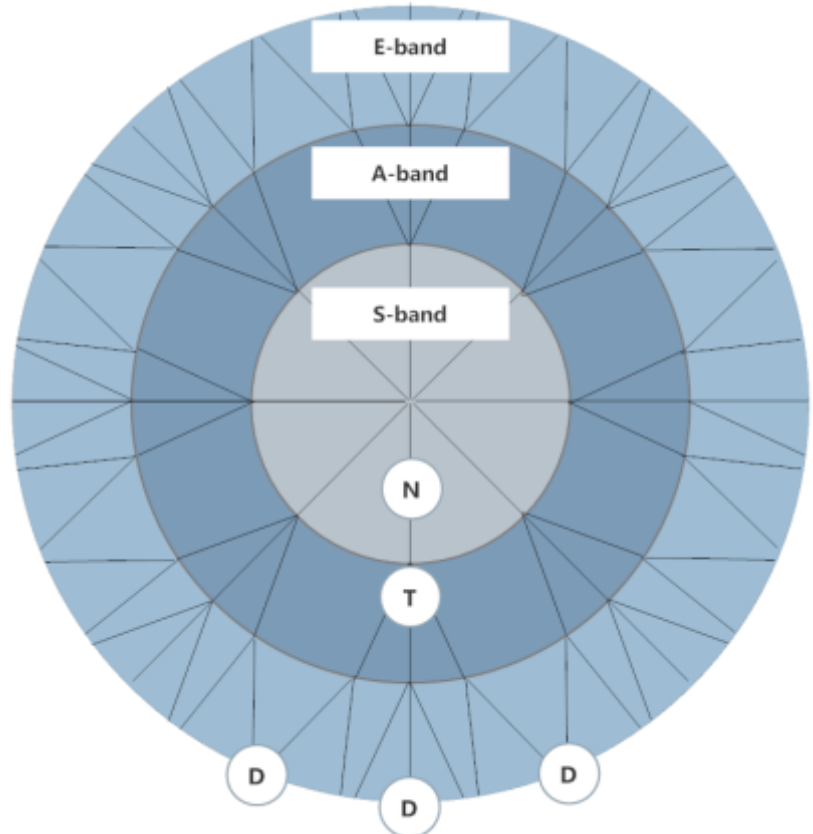
The Organizational Circle

The Organizational Structure I am proposing is circular versus the traditional pyramid in shape and structure. I chose a circle because the circumference or surface area exposed to outside influences features the largest possible venue to gather information while always being equidistant from any point in its core. The circle is the most efficient of all the mechanical shapes, like the wheel discussed in the previous chapter. Fittingly it seemed the most efficient for building an organizational structure. The organizational structure will have what I will refer to as three bands of influence; strategic band, application band, execution band. Each of these bands of influence, like the individuals who govern them, fulfills very different and equally important elements to success. At the same time, each has a high degree of interdependence to the other, and we will cover each in detail. The composition of the Organizational Circle is designed to maximize the efficiency of communication, exposure to the marketplace, responsiveness to customer needs, application of business objectives and execution of the business plan by reducing the layers of influence at the Action Points of your business.

Bands of Influence (BOI)

In a traditional organizational structure companies are divided into disciplines by department with corresponding levels of management. Individuals with certain knowledge, education, and skills are positioned and focused on task within the department.

In the organizational circle, BOIs are circles of influence and purpose. They are components of success or areas of discovery and execution within the organization. I use the word influence because in the organization circle, human resources occupying various BOIs are influenced internally and externally, and give and receive direction from each BOA versus direction coming from only the top as is with most traditional organizational structures. As each

of these bands is equally important to the success of the organization hierarchy does not exist. Individuals tend to gravitate towards BOIs based on their specific traits and knowledge versus for the pay or position. Individuals who are 'born' Transmitters for example may work in the Application Band for long periods of time because their personal traits are very effective performing within that band of influence. Another might work in Marketing in the Execution Band because their traits and knowledge provides creativity and strategy. We will discuss more about how individuals are hired into, on-boarded and progress through the Operational Circle later in the book. For now let's outline each circle and the influences, traits, and knowledge needed to excel in them.

Strategic Band (Navigators)

Within the Strategic band are the Navigators of the organization. Navigators create and sustain forward motion in their organizations by providing a strategic plan, setting company direction and providing resources to conduct business operations. Navigators have external influencers such as Lenders, Board of Directors, Economic conditions, Industry competitors, and internal influencers such as Transmitters. Navigators who work within the Strategic band have

1. Realistic optimism. Navigators with this trait possess confidence without self-delusion or irrationality. They pursue goals, which others would typically view as impossible pipedreams, while at the same time remaining aware of the magnitude of the challenges confronting them and the difficulties that lie ahead.

2. Subservience to purpose. Navigators with this ability see their professional goal as so profound in importance that their lives become measured in value by how much they contribute to furthering that goal. What is more, they must be pursuing a professional goal in order to feel a purpose for living. In essence, that goal is their master and their reason for being. They do not ruminate about their purpose, because their mind finds satisfaction in its occupation with their goal. Their level of dedication to their work is a direct result of the extraordinary, remarkable importance they place on their goal.

3. Finding order in chaos. Navigators with this trait find taking on multidimensional problems invigorating, and their ability to bring clarity to quandaries that baffle others makes their contributions invaluable.

Application Band (Transmitters)

Within the Application band are the Transmitters of the organization. Transmitters deliver and drive forward the critical business strategies through their organizations and have external

influencers such as: vendors, local community groups, and internal influencers such as Navigators and Drivers. Transmitters that work within the Application band are

1. **A Good Communicator —**Transmitters with this trait have is the ability to convey ideas and instructions to and from a wide range of individuals. They are effective and enjoy communicating and connecting with everyone in the organization. Transmitters are able to communicate clearly and have the ability to listen to others. They enjoy working with and connecting diverse groups they interact with. They have an effective communication style, content and language.

2. **Open-Minded with Fairness and Equality —**Transmitters are open-minded to the constantly changing the demands they need to facilitate. They are willing to alter their approach, and at times their own beliefs to incorporate the changes if they learn a better way. They never feel like they are perfect and desire to continually learn. They seek advice, criticism and knowledge from those around them, as well as keeping up-to-date on industry and or proceedures. Transmitters are fair and equal towards everyone they interact with both with their time and effort.

3. **Patient and Approachable —**Transmitters are patient and understand the need for the learning and discovery process and that every individual learns at a different rate no matter what level of effort the player puts in. They understand and enjoy the interaction of working with diverse groups and individuals. Transmitters are naturally relaxed and positive when an individual and/or group fail to learn at the desired rate. They maintain a degree of separation and confidentiality and are approachable so others can express concerns or opportunities. Transmitters easily interact with others and are capable of aiding them as an individual and as a member of their team. They have an 'open door' to everyone and enjoy taking interest, listening, and talking through issues.

Execution Band (Drivers)

Within the Execution Band are the Drivers in the organization. Drivers create and or deliver the goods and services organizations define them by. Drivers have external Influencers such as: customers, competitors, vendors, and internal influencers such as Transmitters. Transmitters in the Execution band are

1. **Positive—**Drivers are positive even in the face of adversity, an important trait for those with the most exposure to the market and customers. They are able to maintain an upbeat and constructive demeanor in a wide variety of circumstances at "the moment of truth."

2. **Organized and Thorough—**Drivers are organized and keep general product or service and company information organized as well. They respond rapidly to responses from internal and external customers are well documented and are readily available to retrieve critical information. Drivers are thorough, knows the product information, understands how to apply it to various situations, can analyze a situation with the information given by the customer and can suggest multiple solutions.

3. **Adaptable and Perceptive—**Drivers are very adaptable as each customer experience is a different experience, and each customer has a slightly different expectation. They are perceptive to the positive and negative changes in customer demeanor. Drivers are able to adapt quickly when the situation changes or new information is introduces without warning.

4. **Good Listener and Communicators—**Drivers are excellent at listening to what customer and Transmitters are expressing to them. They are effective at listening to customers to give all of the details regarding a situation, and then asking questions to find out even more details so that all of the information required resolving the situation is available.

One of the key distinctions between the traditional organizational structure and the Organizational Circle is that information and direction are being sent from Navigators to Drivers and from Drivers to Navigators through Transmitters equally in both directions. There is no secret that a partnership can't be successful without open and honest two-way communication. As new information or new conditions are discovered the Organizational Circle allows easy dissemination of information without the congestion of multiple departmental layers. This can happen because there is never more than one band (layer) of influence separating any two contributors. Executives are close enough to see the result of the business model and its execution while having the separation to be objective. You can see the Organizational Circle's circumference or outer exposure to market forces is far larger and can more efficiently expedite the delivery of information throughout the company than traditional structures.

For the Organizational Circle to work effectively companies and those that work within them will need to overcome a set of paradigms that are deeply rooted from decades of education, industrial growth, and management theory. We will have to convert our thinking about positions or jobs in favor of what a person can contribute or the roles they can provide. We will have to

change how individuals in organizations perceive each other, trust each other, and work with each other. Drivers on the front lines of any business are vital to the success of any company. If Navigators treat them, recognize them, communicate with them, and reward them less than they deserve we limit ourselves and our organizations. In order to facilitate this culture and create the opportunity for mutual trust, respect, and interdependence, the Organizational Circle creates an optimal platform for onboarding and developing a culture to a broad spectrum of contributors.

In the next chapter we will begin to discuss the critical step of retaining talent for the Organizational Circle. We will discuss onboarding and the circular 360 degree development of leadership into this new structure. We will discuss how to build equality of importance, compensation, and status at each band in the Circle to facilitate the interdependence and culture needed to win in today's global economy.