

## **The Transformational Change Simulation and Leadership Workshop** *“Different by Design”*

### **Chapter Nine The Energy Field of Alignment**

**The people attacked the great looking brownies.**

**Curt remained in his seat -- just staring at the ceiling. I went over and asked, “Everything okay?”**

**He mumbled, “Yeah.”**

**As I began to walk away, he said, “Wait -- when are you going to explain how to create “structural integrity” and how to “behave-a-profit” back in our companies?”**

**He then asked, “Can we talk privately for moment?”**

**I said, “Sure – let’s go up front away from all the banter.”**

**He began, “I was sent here --- totally against my will by my boss. He plays golf with Debbie’s husband --- was told about this deal --- he was going to come but had to be out of the country -- so here I am.”**

**He continued, “I feel so confronted by this new way of thinking --- and without Debbie’s credibility I would have gone back to work after yesterday.”**

**“At every break, she suggests one more thing about integrity --- she states that the whole thing is “simple” – but not “easy” --- that creating “structural integrity” is rather overwhelming --- so she is adding a piece to reinforce what you and others are saying as we go along.”**

**I said, “You are doing great --- you’ve put at least four pennies in your jar by neutralizing your “conflict manipulation” instincts -- three times now. That is one of the most difficult behaviors to silence.”**

**“Difficult! – It’s impossible --- every time someone says something - --- or you add an explanation ---- my brain says --- “that won’t work” --- or “that’s stupid” --- or “no one will believe that” --- yes**

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**we did it yesterday --- but it’s totally unrealistic for this to be done in our company.”**

**I said, “Let’s not worry about your company yet – let’s stay focused on Curt.”**

**He paused and because my focus was on him, he continued. “The thought that we could tell our people to “behave-a-profit” is insane.”**

**“At lunch Debbie told me to ask you how to “behave-a-profit.”**

**Curt just looked at me and with a confrontational tone in his voice he asked, “Do you really know how to do that?”**

**I could tell from the way he asked the question that his conflict manipulator instinct was deeply rooted in that question. I said, “It’s our next agenda right after this break --- but for right now --- let me ask you several questions.”**

**He nodded agreement. “First – is your business profitable today?”**

**He said, “Our profits are outrageous.” He added, “No one needs to “behave more profitability.”**

**I thought to myself: *Their profit “problem” is “solved.”***

**I said, “That’s great – who “behaved” the profits to that level”?**

**He looked at me and was silent.**

**I asked, “How did they get to that level?”**

**He said, “Because we have a very dominating market strategy.”**

**I thought to myself: *He doesn’t see how people execute strategy –to him people are likely “problems” and just “functional.”***

**I said, “That’s great! Next --- you mentioned you wanted to know more about “structural integrity” --- on a scale of “one-to-ten” --- how would you rate the current integrity of your business?”**

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**He said, “A “10.” ---We are a perfect – what you would call a Phase Two company – our product quality is incredible, our manufacturing plants are spotless, our supplier relationships are great --- our processes are at six-sigma --- and my boss said he wasn’t sure why Debbie’s husband said we have to change --- something about playing golf at the professional level is way beyond being a good amateur.”**

**He paused and added, “That we are really the best amateurs in our industry.”**

**I thought to myself: *They are “Competent” but lack “Capability.”***

**I said, “That’s great – did he explain what that means?”**

**Curt looked at me with a look of confusion and said, “Only that there is a “next level” ahead and this deal will reveal that reality.”**

**He continued, “In the past three months our new President has required everyone to read six books about leadership and change --- --*Seven Habits* and *Good to Great* --- the best one was *Leadership and Self Deception* and a book about the future of artificial intelligence.”**

**He paused and looked at me with that questioning mind and asked, “Nothing I’ve read talked about “behaving-a-profit.”**

**“Why did the new President ask everyone to read those books?”**

**“My boss said we just needed to stay current about the latest thinking about leadership.”**

**I thought to myself: *Their current thinking lacks vision.***

**I asked, “Did your group ever discuss them as a total group.”**

**“Not really – our management meetings are mostly about cost control and shareholder value.”**

**I thought to myself: *Measurements always are not enough.***

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**“Did everyone actually read them?”**

**“I’m not sure. It was hard to find time to read books.”**

**“Do you recall the first of the seven habits?”**

**“I skimmed that one.”**

**I thought to myself: *He knows there are “seven” but he doesn’t know the “habits.”***

**“The *Self Deception* one was an easy read --- it sounds like the things you are talking about.”**

**I said, “I had Jeff and Debbie read it and the other Arbinger Institute one – *The Anatomy of Peace* --- they are excellent.”**

**I said, “Two more – on a scale of “one-to-ten” how would you rate the ease of doing business with your company?”**

**He paused and with some concern in his response said, “It varies --- but on average probably a “5.” We just lost an account because our terms and conditions are too stringent -- another major account claimed our “Damn Sales Guy” doesn’t listen --- he was going to be here with me but he was fired last week.”**

**“Curt --- one more -- based on what you experienced in Phase Three yesterday --- what does your company need to do “different?”**

**He quickly said, “It’s not ----”**

**I immediately interrupted him and said, “I didn’t ask what “it’s not” --- I asked what “it is” --- your “conflict manipulator” was quick to respond --- I asked what you need to do “different!”**

**He reacted in a very civilized “angry” way and said, “Damn-it!” --- “That is what my brain has been doing all day --- except when I’m with Debbie. For some reason it doesn’t happen when I’m talking to her --- why?”**

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**I said, “She knows how to take you out of the “problem solving” structure where your “conflict manipulator” lives.”**

**He said, “How the hell does she do that!”**

**I said, “She’s a good listener.”**

**Knowing that he needed an immediate example, I said, “Let’s try it.”**

**I paused, “Remember --- a moment ago you said, “Our profits are outrageous” and “no one needs to “behave more profitability.”**

**He said, “Yeah.”**

**“Your thinking is very polarized -- the profit “problem” is “solved” – and “no one” needs to be involved in “profiteering” again – right?”**

**He said, “Right.”**

**He asked, “How do you know that?”**

**I said, “It is structural awareness --- that response is within the “problem solving” structure of “not enough” --- profits are already ENOUGH --- and the word “outrageous” suggests that they have exceeded ENOUGH.”**

**In a stunned look he said, “I guess I don’t understand what you mean by structure --- but that is exactly right.”**

**To break the seriousness of our conversation, I said in a rather humorous manner “I’ve had hundreds of conversations about “profits problems” -- and the “solutions” are always arguments about strategies for getting ENOUGH.”**

**He said, “Our management meetings are always arguments about “not enough.”**

**When he stopped telling of a recent argument, I asked, “Now -- as they are “outrageous” today – are they sustainable at that level going into the future?”**

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**“Debbie said you would likely ask some really tough questions.”**

**He said “No --- but we don’t know what to change.” He paused and in a very contemplative way said, “That’s why I asked about “structural integrity” --- our integrity took a big hit when a competitor took one of our good account with simpler terms --- our accounting guy just said, “deal with it—they ain’t-goin-to-change.”**

**I said, “The “conflict manipulators” seem to be very prevalent in your company.”**

**He said, “How so?”**

**“Your accounting guy has an active “manipulator” --- the terms are your “problem” --- not his.”**

**The group was beginning to return from the break and Aaron motioned for Curt to get on his phone.**

**He looked at me --- grabbed his chin and asked, “Are we going to cover this yet today or tomorrow?”**

**I said, “It will be the major topic for right now.”**

**As Curt walked away he said, “We’ll keep this confidential --- right?”**

**I said, “Right --- and I will very indirectly help you understand the answers as we finish-up today.”**

**He paused and said, “Include something about how to “behave-shareholder-value” if that’s possible?”**

**I said, “Okay.”**

**As Curt left, Debbie came by and asked, “Did he ask how to “behave-a-profit?”**

**I said, “He wants to know how to “behave-shareholder-value” more than profit.”**

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**I laughed and said, “I remember when I asked your treasury managers how to behave a “Return-OF-Investment.”**

**She said, “That was the first step in our transformation.”**

**I sounded the harmonica --- announced two minutes --- walked over to Curt --- shook his hand and said, “Thank you--- that was very helpful for me to understand.” He rubbed his chin and I acknowledged in kind.**

**I moved to one of the flip charts in the front of the room and wrote the word PURPOSE at the top of the page --- and once everyone was settled-in, I asked, “What is the purpose of any business?”**

**The question was confusing and there were no answers, so I asked, “Zac --- where do you live?”**

**He said, “Cleveland.”**

**I asked, “What’s the purpose of every business in Cleveland?”**

**His response was, “Make money.”**

**Brian quickly shouted with emphasis, “To make a profit.”**

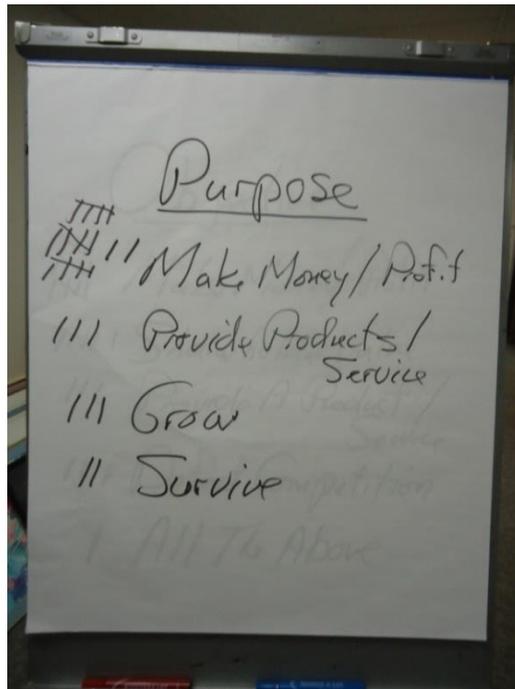
**The next ten people took the easy way out and agreed with Zac and Brian that “Make money and profit” were the answers.**

**I ask Curt, “And what is the purpose of all the businesses in the global spaces for your international company?”**

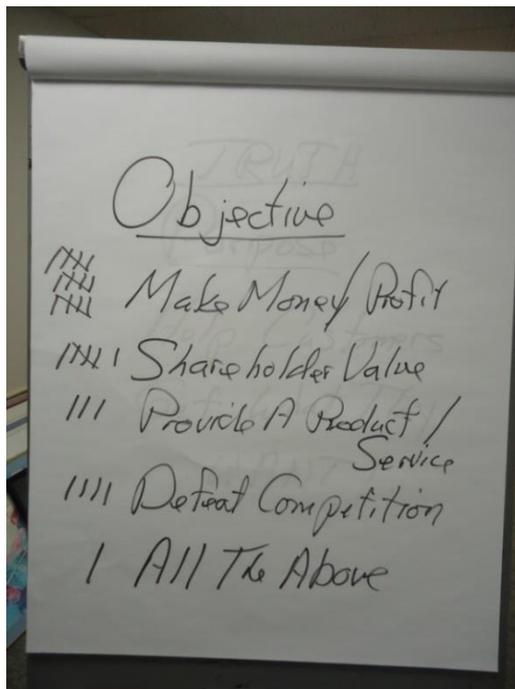
**Curt confidently said, “To grow shareholder value.”**

**Other answers were to “Provide products and services” --- “Grow” – and to merely “Survive.”**

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**I turned to the second flip chart and wrote the word OBJECTIVE at the top and ask, "Then --- what is the objective of all the businesses in all the cities where you live?"**



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**The answers were once again --- “To Make Money and Profit” --- “Shareholder Value” -- “Provide Products” and a new one --- “Defeat the Competition.”**

**When my back was turned, someone added “All the Above.”**

**After a long pause, I said, “It appears that many of you see the words PURPOSE and OBJECTIVE as synonymous?”**

**There was complete silence in the room as that question always seems to confront intelligence.**

**Jeff couldn’t stand the silence and said, “This is when I realized that I was *naïvely stupid!*”**

**I volunteered to the total group, “It is very common for the definitions to be confused.”**

**I paused and asked, “What question does PURPOSE answer for any company?”**

**Once again silence reigned.**

**Several people asked, --- “Why?”**

**“That’s correct – then what question does OBJECTIVE answer for any company?”**

**Sam asked, -- “What?” --- with a questioning tone in her voice.**

**“That’s correct.”**

**“Why” and “What” are two very different questions for people to answer as they do their work in any business – yet based on the answers here” --- and once again I pointed to the two flip charts -- “it appears that they are the same?”**

**Silence remained. I paused a long pause to allow their minds to try to resolve the “either / or” nature of what appeared to be a confrontation to their intelligence.**

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**I slowly raised my hand and asked, “When you were growing up --- were you ever told by your mom or dad to take out the trash or pick up your room?”**

**Everyone nodded, “Yes.”**

**Did you ask “Why?”**

**Ron said, “Hell no!”**

**“What would have been the answer?”**

**He said, “Because I said so!”**

**Everyone laughed and almost everyone agreed that “because” was the “purpose” of all behavior that was programmed into them at an early age.**

**I laughed and asked, “Now – years later we are programmed to be “compliant” with the wishes of “authority” within our companies --- or we as managers don’t feel a need to explain “why” to our employees --- is that right?”**

**Ron said, “We all know “why” in our company --- make money and lots of it.”**

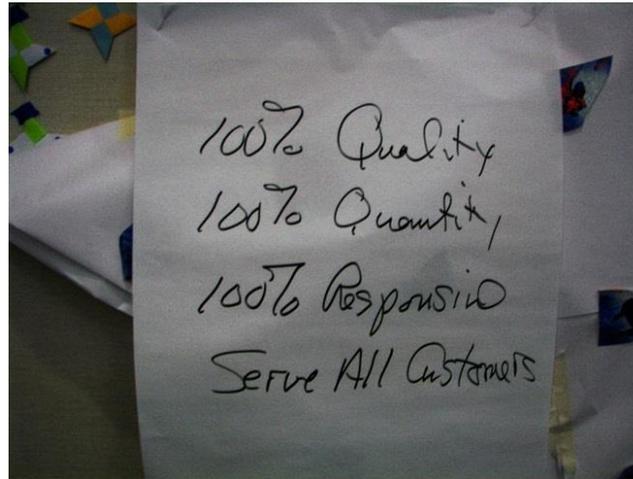
**I said, “Does everyone agree with Ron?”**

**Many hands started up --- but there was obvious hesitation as many people had a sense that the “make money” answer was not right.**

**I asked, “Does anyone recall what the stated PURPOSE of Phase Three was yesterday?”**

**Two people pointed to the 100%--100%--100% chart on the wall.**

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**I said, “If we look at any business from the customer’s perspective, the PURPOSE of any business is simply to “Help them get what they want” --- is that true for you?”**

**The silence reflected “possibility” but the reluctance to “be wrong” still dominated their behavior.**

**I asked, “When you go through the drive through at McDonald’s, do you want 100% quality—100% quantity and are they responsive to 100% of the cars?”**

**Everyone acknowledged by nodding “yes.”**

**I paused and asked, “Would you go to any fast food establishment if that was not true?”**

**Brian argued, “But some joints don’t deliver on that reality.”**

**I raised my hand to be sure everyone was focused and said, “I didn’t ask if the “integrity” of every business was that way --- I asked if that is what your expectations are as a customer” --- and looked at Curt and added – “regardless of where you are in the world.”**

**Slowly and in a very contemplative way Curt rubbed his chin.**

**I walked toward him and quietly said, “You just put 8 pennies in your jar.”**

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**He said in a whisper, “I’m a slow learner.”**

***I laughed to myself recalling my golf lesson with Paul.***

**Then without hesitation I looked at the OBJECTIVE answers and asked, “What is the OBJECTIVE of any business?”**

**Jeff’s patience with “discovery learning” boiled over and he said, “To “behave-a-profit!”**

**There was silence as the words PURPOSE and OBJECTIVE were known ---but the meaning was not highly “differentiated” for most of the people.**

**Jeff added, “Remember when I didn’t see the difference between “simple” and “easy” ---- I had never defined the difference between PURPOSE and OBJECTIVE.”**

**He added, “When we were able to see the PURPOSE of our business as HELPING customers ignite their brands – then it made sense how to “behave-a-profit.”**

**I asked, “What is this conceptually: PURPOSE --- and -- OBJECTIVE?”**

**There was silence as everyone was still confused by the questions. I clarified, “The customer gets the help they want --- the company gets the profit it wants --- it is the underlying “structural integrity” of WIN-WIN.”**

**Curt interrupted and said with some conviction, “Our new President tried to explain WIN-WIN at a managers meeting three months ago - -- it resulted in a horrible argument about “defeating the competition” --- and this is why my boss sent me here --- to get clarity about this issues --- and I’m still not sure I agree.”**

**He paused and said, “If we “give” the customer what he wants -- we will not make a profit as they always want it for free.”**

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**I raised my hand to get everyone’s attention and said, “What Curt just said is very important --- this is not about “giving” --- rather HELPING the customer “get” what they want --- AND --- HELPING is always a “both / and” game.”**

**I paused and said, “Curt --- the presentation of the WIN-WIN concept back at work is often seen as unrealistic within the “problem solving” structure of “either / or.”**

**Debbie quickly added, “Remember when I asked the “stupid” purpose question of the young server at that restaurant --- and got that great answer?”**

**She pause and said with some emotion, --- “That is when I realized that I saw everything in a “problem solving” structure --- it was dominating my life.”**

**I raised my hand and said with emphasis and in a slow and deliberate manner, “There is one very easy way to resolve this debate --- as I said just a few minutes ago, ask yourself --- how do you want to be treated --- when you are the customer --- do you want ANY COMPANY --- ANYWHERE --- ANYTIME -- to HELP YOU GET what YOU WANT when YOU ARE the BUYER?”**

**Everyone cautiously agreed as the realism of that occurring was still not possible.**

**“AND --- is it okay for them to “make money” --- hopefully “a profit” when they HELP you make an intelligence decision as to what to buy?”**

**Everyone thought about it for a moment and some agreed.**

**Curt was still trying to resolve the “conflicted” assessment in his first reaction and said, “How about PURPOSE --and -- SHAREHOLDER VALUE?”**

**“Great question Curt” and with a long pause I said, “It would be true if ---- “IF” --- the PURPOSE is being behaved with integrity by**

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**everyone in the business --- it would be a very significant indicator that the “energy field of alignment” exists within the company.”**

**To help Curt with that explanation I added, “Curt --- make a note --- shareholder value is a balance sheet issue ---- not a primary “consequence” of “behaving-a-profit” --- the sustainability of the business model is “primary” --- we will talk about the balance of consequences at a later time --- okay?”**

**He rubbed his chin.**

**I paused and addressing the total group, I said, “First things first --- the tough question -- is this TRUE?”**

**Mike said, “Is what true?”**

**“That the PURPOSE of any business is to “Help Customers get what they WANT?”**

**Mike asked, “You mean help them get what they NEED?”**

**A great discussion ensued as to the difference between a WANT and a NEED and looking at Brent and Pam I clarified, “You “need” employees--- when you have a full staff you don’t “need” any – and when they “go” -- you “need” some again – right?”**

**Pam agreed.**

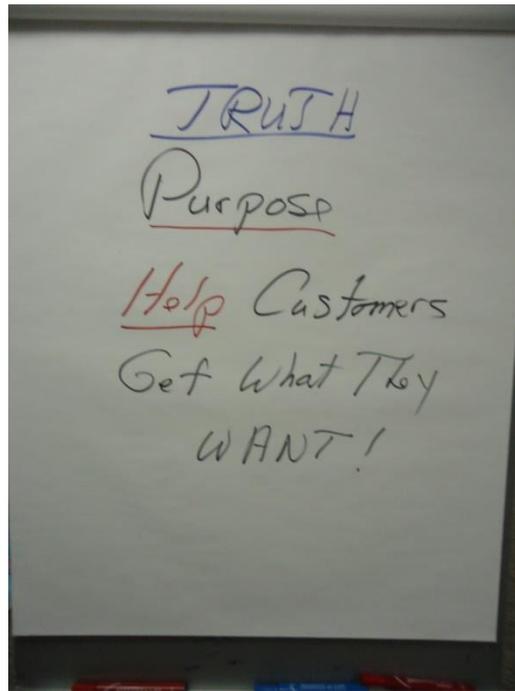
**“Brent -- is it TRUE that your restaurant always WANTS to help customers have a great dining experience --- that is the fertile soil--- is that the TRUTH?”**

**Brent said, “Yes --- except at midnight when we WANT to close.”**

**I clarified for the total group, “If a TRUTH has no opposite --- then at midnight he NEEDS to close --- the WANT would remain behind locked doors until opening the next day --- make sense?”**

**In a rather contemplative state ---- everyone agreed.**

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**I said, “Turn with me to page 10 in your workbooks.”**

**For the next few minutes we processed the TRUTH about the PURPOSE of any business. To prove that it was “true” --- that there was a real difference between PURPOSE and OBJECTIVE -- we read the quote by Dee Hock, CEO and Founder of VISA from his famous book *The Birth of the Chaordic Age* that said:**

*“The organization of the future will be the embodiment of community based on shared purpose calling to the higher aspirations of people... Forming a chaordic organization begins with an intensive search for Purpose, and then proceeds to Principles, People and Concept, and only then to Structure and Practice.... To get beyond the platitudes, it becomes necessary to agree on what a “purpose” really is.... To me, purpose is a clear, simple statement of intent that binds the community together as worthy of pursuit.... It should speak (to the people) so powerfully that all can say with conviction, “If we could achieve that, my life would have meaning”. Making a profit is not a purpose. It may be an objective; it may be a necessity; it may be gratification; but it is not a purpose!”*

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**I looked at Curt and said, “If your President wants to explain PURPOSE and OBJECTIVE, he can use the following quotes by Jim Collins from his great book *Built to Last*:**

*“Purpose need not be wholly unique. It’s entirely possible that two companies could have a similar purpose. The primary role of purpose is to guide and inspire, not necessarily to differentiate. The key is authenticity and integrity, not uniqueness”.*

*“Profitability is a necessary condition for existence and a means to more important ends, but it is not the end in itself for many of the visionary companies. Profit is like oxygen, food, water, and blood for the body; they are not the point of life, but without them there is not life”*

**Debbie said, “Remember my meeting with the President of that restaurant --- he had this workbook and showed me these quotes and all the others here on page 10. He had a very difficult time convincing the Professor from the University who was on his Board - --- that the PURPOSE of any business was to Help Customers get what they want.”**

**I added, “Therefore --- the TRUTH of that flip chart statement is not yet complete. We need to answer the question HOW do we HELP Customers get what they WANT.”**

**To answer that question I asked them to turn to Page 23 in their workbook where the “economics” of buying a car were listed.**

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## *“Different by Design”*

### *The “Economics”*

#### The Most Economical Owning Experience

	<u>Different</u>	<u>Better</u>	<u>Good</u>
• <b>First Cost</b>	\$\$\$\$	\$\$\$	\$\$
• <b>Operating Cost</b>	\$	\$\$	\$\$\$
• <b>Service Cost</b>	\$	\$	\$\$
• <b>Maintenance Cost</b>	\$	\$	\$\$
• <b>Installation Cost</b>	\$	\$	\$\$
• <b>Insurance Cost</b>	\$	\$	\$
• <b>Resale Value</b>	\$\$\$	\$\$	\$
• <b>Quality</b>	\$	\$\$	\$\$\$
• <b>Reliability</b>	\$	\$	\$\$
• <b>Financing Cost</b>	\$	\$	\$
• <b>Customer Satisfaction</b>	\$	\$\$	\$\$\$\$

**“The cost of a poor quality is very apparent in the overall Owning Experience.”**

**“It’s just a matter of Price???”**

**“It’s just a matter of Economics!!!!!!”**

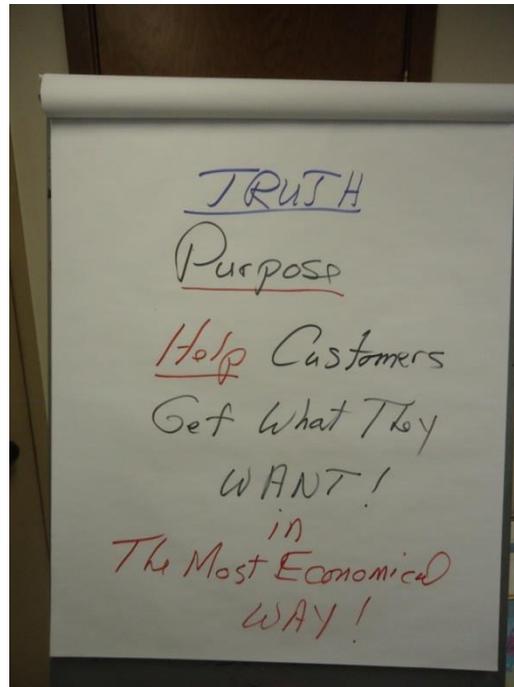
**Everyone had purchased a car or truck in their lives and could easily relate to all the “costs” of owning a car.**

**I said, “While they appear to be discreet “costs” --- collectively they are the overall “economics” of the “owning experience” of a car.”**

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**I clarified the importance of the word "economics" by saying, "We can go to college and get a degree in economics."**

**I turned to the PURPOSE flip chart and added, "In the Most Economical Way."**



**There was a brief debate as to whether we were talking about "value" -- - as the term "most economical" meant "cheap" in the minds of many people.**

**I said, "There is no college degree in "value" that I am aware of?"**

**I continued, "The "integrity" of every purchase is in the "economics" of the purchase --- this is especially true with products that are "owned" over time --- like a car, computer, home and insurance."**

**And without hesitation I looked toward Curt --- "And it is very significant in "B2B" buying relationships where "responsiveness" is now one of the most dominant buying criteria."**

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**With the mention of insurance Michelle and her team were all of a sudden engaged.**

**Without inviting further comment, I said, “Turn to page 26 and let’s see how this all applies in the real world of implementing the Phase Three process in your companies.”**

### *“Working On Purpose”*

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**Purpose:** Our Company is in the Business of HELPING customers create “real time” business results in the Most Economical Way.

**Process:** Critical Success Factors (CSF’s)

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**Payoff:** The MOST ECONOMICAL WAY for the Customer and our “BUSINESS”

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**I said, “The PURPOSE defines the process of execution of the business. Employees -- during the “toot” sessions --- what Jeff referred to as the “pre-week” routine --- can see their “role” in the process --- design how it needs to be aligned between the functions ---- and the key is they can easily see how they are “authorized” to execute the PURPOSE of the business --- and they do not need permission from anyone to orchestrate the “process” that executes the PURPOSE that Behaves-the-Profit.”**

**Curt sat back in his chair ---looked at Debbie and rubbed his chin.**

**I quietly moved toward him and quietly said, “16 pennies in the jar - -- shareholder value is at 1,024 --- so we have a ways to go.”**

**Jeff in a very somber mode said, “Folks --- that is called “leadership” in our company. That changed everything for me as a business person. That relieved my *naïve stupidity*. PURPOSE is so “simple” --- - it is hard to comprehend that it can have a significant impact on the lives of everyone who works for you.”**

**Michelle raised her hand and said, “This is serious business --- it has to be done this way when we go out after a natural disaster like a hurricane or a flood --- it isn’t optional.”**



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**I looked at everyone and said, “That’s what it looks like back at work when a company confirms that the “energy field of alignment” is alive and well.”**

**The mental strain of the entire day was exhausting. There was little room for more “intellectual” investment. I said, “We have one more thing to do --- it’s fun --- so take a quick break – get a bottle of water and be right back break.”**