



the New Management Network™

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Presidents' Forum

Business leaders are taking their direct reports on strategy retreats using the style of the fabled Presidents' Forum pioneered by the Young Presidents' Organization and others. The more than 4,000 presidents worldwide now participating in Presidents' Forum recognize the value in open communication and idea exchange which comes from the Forum concept, and some of these leaders are using it to create Virtual Slack in the 27-hour offsite workshop (see lead article).

Applying the Forum idea to internal management groups has the potential of dissolving constraints and releasing individual and team potential. The trick is to make this happen in a context where some members are accountable to others and where competition among members may be perceived to exist.

"Dialogue" rather than "discussion" or debate characterizes the style of the Presidents' Forum Retreats. Physicist David Bohm identifies the three basic conditions necessary for the dialogue which allows one idea to build on another:

- All participants must "suspend" their assumptions, literally to hold them "as if suspended before us";
- All participants must regard one another as colleagues;
- There must be a "facilitator" who "holds the context" of dialogue.

Leaders using the concept report better communication, better understanding of goals and direction, creative, sometimes breakthrough ideas, better decisions, improved teamwork, and not least, executive development.

A Key to Company Flexibility, Vitality and Strength

VIRTUAL SLACK

Tight as wallpaper. Lean and mean. Stripped for action. These describe companies restructured to compete in the global markets of the '90s. Gone are the extra layers, the over '55s, the inventories, the slack.

But now the North American economy is on the move again. Capacity is being soaked up, skilled labor markets are tightening, strategic supplies are becoming scarce. It's not a seller's market yet, but it's no longer a buyer's paradise either. The shift is accelerating because so much capacity has been shaken out in the restructuring.

And change continues. It's not enough to be tight and lean and stripped. Companies need to be flexible, adaptable, and agile to anticipate changing markets, absorb new technology, track shifting customer needs and parry competitive thrusts. Organizational theorist Jay Galbraith used to tell us companies could use organizational slack as a way of working through the uncertainty and unpredictability of change. But, alas, the slack is gone.

Virtual slack—a way of creating the benefits of slack without actually creating slack resources—promises a way out of the bind that companies increasingly find themselves in. Leaders know that their people are capable of more creative and flexible response to what seems like a crisis environment than they can muster, if only they were operating on the same wave length. They know that "communication" is a crying need in their organization, and also know that better systems, more local area networks, fax machines, portable phones, and more written words do not satisfy the need.

Virtual slack can be brought into being by creating virtual space in

Virtual space in the pell mell of day-to-day urgency . . . oases of calm in the maelstrom of crisis.

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Metaphorical Management

“You see, a bee shouldn’t be able to fly; its body is too heavy for its wings. But the bumblebee doesn’t know this and it flies very well. [Women] come to us not knowing they can fly. Finally, with help and encouragement, they find their wings—and they fly very well indeed.” McGill University’s Jay A. Conger quotes Mary Kay Ash’s use of metaphor to engage and empower recruits in her cosmetic company.

Metaphor is a powerful leadership tool because it evokes the experience of the listener and engages him or her in imagery with complex meaning. Metaphor can also be a powerful tool for developing shared meaning within a company, transcending the logical mind to engage the will and the heart. Shakespeare’s “Cry havoc, and unslip the dogs of war!” could be a powerful theme for launching a competitive strike in the marketplace.

Metaphor has an important role to play in virtual slack workshops to surface imaginative pictures of the company and its future. Through metaphor, communication among leaders and their associates can take place with subtlety, sophistication and completeness, laying the groundwork for coherent teamwork in the future.

Metaphor also provides the ability to surface values, in the sense of the things which people feel are important to nurture and preserve in the company. Values flowing out of metaphor can provide unifying concepts, like perseverance, strength, aggressiveness, wholeness, which are true reflections of people’s belief in a commitment to their work.

Virtual Slack, *from page 1*

the pell mell of day-to-day urgency, by providing opportunity for dreaming, story telling, community building, exploring values, sharing experience, and by tapping internal resources for people to learn from one another. This is counter intuitive in a way, because it suggests that oases of calm be created in the maelstrom of crisis. But it recognizes the need for human interaction to take place on multiple levels, embracing emotional as well as rational factors and embracing unconscious as well as conscious processes.

The 27-hour offsite workshop, scheduled regularly, provides a vehicle.

Face-to-face contact is clearly required for this kind of communication to take place. One consulting firm followed the practice of sharing drinks in the library every Friday night where war stories were told, common ground shared and a

common identity and shared vision was shaped and reshaped.

Where the geography of operations is dispersed, or where the day-to-day keeps people apart, efficient ways need to be found to simulate the interaction of more casual encounters. The 27-hour offsite workshop, scheduled regularly, provides such a vehicle. Attention to the psychology of the interaction can ensure that real contact among people is made, and that the experience “gropes” with the purpose, “gripes” with the issues, and “groups” around the action plans. One construction company with operations spread over hundreds of thousands of square miles brings its senior and middle managers together this way each quarter to sort out common approaches to practical problems.

It is important to see these workshops as something other than extended business agendas. Their real purpose is to create virtual slack by synchronizing the attention of people around unifying themes, not month to month coordination. Gary Hamel and C.K. Prahalad use the term *strategic*

Strategic intent is an appropriate agenda for engaging and creating virtual slack in an organization.

intent to describe an obsession with a view of the future that is capable of transforming a company beyond the limitations of its current resources and capacities. Strategic intent is an appropriate agenda for engaging and creating virtual slack in an organization. Consultant Charles E. Smith invokes the image of King Arthur’s magician who lived through time backwards in actualizing strategic intent through, “The Merlin Factor [which] is the process whereby leaders transform themselves and the culture of their organizations through a creative commitment to a radically different future.”

Virtual slack allows *generative* processes to take place which provide the context of history to hold the creativity of the future. At one workshop, a senior executive described vividly the speed with which products had come and gone over the past twenty years, and

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conveyed to an attentive audience of younger, newer executives how the pace of product introduction now needed to meet the market was entirely consistent with the company's historical successes. This exchange took no more than a few minutes, but visibly established an historic ground out of which new innovation could be seen and felt to flourish.

Organizational change and corporate evolution now take place so rapidly that companies often seem to be in a continual state of crisis.

The generative process is essential to a culture where people have a have-done, can-do attitude to challenges as they emerge.

This unending crisis that engages people in a day-to-day battle for survival requires the perspective of history and the kind of stability of the ground that can be provided only by elders. And the more dramatic the crisis, the greater is this need for stability and context. The generative process whereby experienced leaders can tell the stories of past crises and

how we survived them is essential to building and maintaining a resilient culture—one where people have a have-done, can-do attitude to challenges as they emerge.

Virtual slack can be created by enhancing the *relationship competence* of people throughout the company. Traditionally we have understood relationship-selling, the skill at building trust and continuity with customers. Now we need relationship-purchasing, building trust and continuity with suppliers, and relationship-partnering with affiliates so that our capacity and theirs can act as one. We also need relationship enhancement internally, so that coherence and coordination are central to every move the company makes.

To raise their relationship competence, companies train widely in techniques like the Enneagram, a personality mapping system that quickly imparts practical know-how for hiring, leading, coaching, developing and team building the human capacity of the organization.

The New Management Network

The New Management Network specializes in empowering leaders to make things happen in complex organizations. Drawing on experience in industry and government, the Network puts proven transformational change technology to work.

The Network has offices in Canada (Vancouver, Edmonton, Toronto, Ottawa, Sydney), the United States (Cleveland, New York) and Costa Rica.

Working Wisdom:

A Seminar in Generative Management

Generativity, the opportunity to “give back” to others, may be the key ingredient that the corporate world has been looking for in maintaining the leading competitive edge.

Generative management is a style of leadership which supports continuous renewal. The wisdom of corporate elders who have “been there” provides a context for intergenerational teamwork in letting go of old ways and creating new values, new initiatives, and new ways of doing business. In this workshop senior managers will learn how to combine tradition with novelty to expand their organization's potential. The two-part workshop is designed for exploring generative methods and strategies, testing them within each person's individual situation, and defining a personal generative leadership strategy for the future. We invite all levels of management to come and explore the future.

First Workshop:

7:00 p.m. April 6 - 5:30 p.m. April 8

Second Workshop:

7:00 p.m. June 1 - 5:30 p.m. June 3

At: The Gestalt Institute of Cleveland
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The New Management Network

We support executives to act quickly, directly and profitably, on what needs to be done for success.

The New Management Network is a distinctive peer group of independent management consultants who share common professional ideas, understand creative innovation and are dedicated to releasing the human spirit in organizations.

Members of the network serve clients on issues of corporate purpose, strategic clarity, company-wide alignment with direction, teamwork and organizational culture.

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Two decades consulting experience in organizational development and realignment, and in human resource management for clients in mining, manufacturing, oil and gas, computers, communications, distribution, personal service, health and social service, and government administration. A graduate of the University of Saskatchewan and the Gestalt Institute of Cleveland and a Certified Management Consultant.



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Three decades experience consulting in strategy and organization to chief executives in a broad range of industries and to leaders in government on policy and administration. A graduate of the University of Saskatchewan and MIT's Sloan School of Management. A Professional Engineer, a Fellow of the Institute of Certified Management Consultants, and a member of the World Presidents' Organization.