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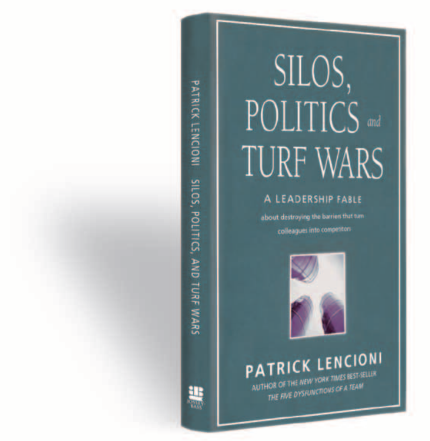

By Patrick Lencioni

A Leadership Fable About Destroying the Barriers That Turn Colleagues Into Competitors

SILOS, POLITICS, AND TURF WARS

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THE SUMMARY IN BRIEF

The concept of "silos" has become synonymous with the barriers that separate work teams, departments and divisions — causing people who are supposed to be on the same team to work against one another. These maddening factions breed the office politics and in-fighting which ultimately kill productivity, squash profits and push the best people out the door. Silos cause stress, exasperation and disappointment by forcing employees to fight unwinnable battles with people who should be teammates.

In this summary, New York Times*' bestselling author and acclaimed management expert Patrick Lencioni presents a dynamic leadership fable that reveals how organizations can overcome the "silos" that divide work units and paralyze performance. This summary also offers solutions to a key leadership issue — the impact of turf wars and political infighting on organizational effectiveness.*

Written in the form of a realistic but fictional story, this summary tackles a tough business issue in both an entertaining and instructive way.

In addition, this summary will also show you:

- ✓ ***How to recognize the signs of the devastating power of silos.***
- ✓ ***Why it is necessary to take steps to start knocking down the walls that divide departments.***
- ✓ ***How to create a rallying cry or an over-arching thematic goal.***
- ✓ ***How to determine an organization's defining objectives and standard operating objectives.***
- ✓ ***Why it is important to measure and monitor your organization's performance against these goals.***
- ✓ ***How employees can survive the confusion that is often found in matrix organizations.***

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SILOS, POLITICS, AND TURF WARS

by Patrick Lencioni

— THE *COMPLETE* SUMMARY

THE FABLE

Part One: Entrepreneurial Ambition

Honeymoon

Five months. That's how long it took for Jude Cousins' entrepreneurial passion and excitement to fade into anxiety and panic. While it was true that he had never started a company before and didn't know exactly what to expect, five months just seemed like too short of a honeymoon to Jude.

To be fair, Cousins Consulting wasn't really a company. Just a consulting practice operating out of a spare bedroom in Jude's home. No employees. No politics. Just Jude, his passion and his three clients. Two of which, unfortunately, were already in jeopardy.

Hatch

For the seven years prior to starting his consulting firm, Jude had received nothing but encouragement and recognition in his career, which only served to magnify his frustration as an entrepreneur.

After an unsatisfying post-college stint in journalism, Jude took a job in the marketing department at Hatch Technology, a fast-growing company that developed financial software for consumers and small businesses. Beginning his career at Hatch as a copy editor, Jude worked his way through every department in the marketing division, with detours into product management and operations.

Given his work ethic and general curiosity about whatever he was doing — not to mention the rapid growth of the company — promotions came frequently for Jude. At the age of 28, four years after joining Hatch, he was named director of corporate communication.

Jude knew that the secret to his success had everything to do with his insatiable passion for learning. As he liked to tell his friends, he felt like he was being paid to go to business school. Even still, he was not content to have his education limited to one company. So Jude began volunteering to sit on a variety of advisory boards for small but growing companies in the area, all of which were happy to have someone of his talent providing advice, especially when that advice was free of charge.

Jude was eagerly soaking up everything he could and forming strong opinions about how he would run a company one day, which he had come to believe was his ultimate goal. From a professional standpoint, Jude had everything he needed. Between his responsibilities at Hatch and the variety of companies he was being exposed to as an adviser, he had no complaints. His work was interesting enough and his workload, though substantial, was manageable. Jude certainly had no intention of changing his career.

Until the merger.

Batch

Though it had been announced to the press as a merger of equals, anyone with a sense of the market knew that Hatch was on the losing end of the acquisition by its slightly larger competitor, Bell Financial Systems. Carter Bell, the company's brash CEO, had a much higher profile in the industry and wasn't about to lose control of his company in a merger.

But because he didn't want to rock the new boat too soon after the deal was closed, he chose to build something of a Noah's Ark management team with two heads of sales, two heads of marketing, etc. As a result, the seeds of discontent were planted within the new organiza-

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The author: Patrick Lencioni is the author of the best-selling books *The Five Dysfunctions of a Team, The Five Temptations of a CEO, Death by Meeting*, and *The Four Obsessions of an Extraordinary Executive*. He is also the president of The Table Group, a San Francisco Bay Area management consulting firm that specializes in executive team development and organizational health.

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Part One: Entrepreneurial Ambition

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tion that would cleverly be called Batch Systems.

As for Jude, his duties and title were divvied up between him and his counterpart from Bell, so he took on a slightly diminished role as director of advertising. With every passing week, Jude was finding it harder and harder to get things done. Infighting had risen to a new level and attention had shifted drastically inward, away from issues such as customers and competitors, and toward battles over budgets, titles and responsibility for mistakes.

And while it could be expected that these feuds might develop between employees of the two former companies, new levels of inter-company conflict were rising in other areas, too. There was the headquarters versus field office split. And marketing versus engineering. And even within engineering, researchers and developers seemed to be at war over who warranted more head count, budget dollars, and recognition for the success of products.

Politics

Because of his narrower and more divided duties, Jude realized that his political capital at Batch was not particularly high. Which is why he decided to ignore the tornadoes swirling around him. But he was smart enough to realize that avoidance and denial would probably not be the best course of action, and that problems don't usually go away on their own. And besides, he was not the kind of person to stand by and watch things unravel.

So, with the security of a nice little nest egg in hand — thanks to the company's rising stock price — Jude decided to go sniffing for another job. Given the growing economy and his network of friends in the industry, it wasn't surprising to Jude that he quickly had a full slate of interviews and that many of them yielded offers. But each time he started to consider a job change, he'd get sucked back into his "day job" by an urgent project and the idea would go dormant.

The Leap

Then it happened. The company's stock, defying the chaos that was driving its employees crazy, hit a level that was three times the merger price. Now Jude's nest egg began to feel like a full-grown bird, and even if he didn't stay long enough for all of his options to be vested, he'd have the stock equivalent of two years' worth of salary. Deciding the time was ripe for a change, he left Batch and started his own consulting business. ■

Part Two: Roller Coaster

Low-Hanging Fruit

Jude settled on the name *Cousins Consulting* for his new business. Though he sold himself as a general consultant with expertise in marketing and operational effectiveness, it seemed clear that his ability to land clients had more to do with his reputation, the relationships he had with executives, and the rapport he developed during sales calls.

Clients

The clients Jude worked with included the following:

The Madison Hotel. The Madison is San Francisco's oldest, largest and most prestigious hotel. Dante Lucca, the hotel's CEO, had overseen a massive and expensive renovation of the 300-room facility, restoring it to its position as the jewel of Nob Hill. He also received some recognition within the industry for flattening the management structure of the hotel. Recently, occupancy had begun to drop in the face of mounting competition and there were rumors that employees were entertaining overtures from organized labor. Dante hoped Jude would be able to provide him with advice around market positioning and strategic clarity.

JMJ Fitness Machines. JMJ is a manufacturer of high-end consumer and institutional exercise equipment. The company's CEO, Brian Bailey, was trying to figure out how to reduce his company's costs to compete with cheaper labor overseas, but without hurting quality or productivity.

Children's Hospital. Not only did Brian hire Jude as a consultant, he referred him to Lindsay Wagner, president and CEO of the Children's Hospital of Sacramento.

Sacred Heart Church. Finally, Jude agreed to help Father Ralph Colombano, the pastor at Sacred Heart Church in Walnut Creek, Calif.

Exactly how Jude would ultimately add value to these clients was still somewhat unclear to him. But based on his advisory board experience and his observation of the parade of consultants hired by Hatch over the years, he was confident that he would be able to justify the cost of his services.

Candy

For the first three months, Jude was a kid in his own candy store. In any given week he might find himself walking the factory floor at JMJ, touring the operating room at Children's Hospital, or doing customer research at The Madison. More than the novelty of these activities, Jude loved observing real business problems and trying to solve them. In those first months alone, he found ways to make meaningful contributions to almost every one of his clients.

The first setback was the devaluation of his Batch stock, driven primarily by the ongoing loss of key talent just below the senior executive level. Then Brian Bailey called.

"Jude," he said, "I just wanted to call and thank you for the work you did with the assembly team earlier this month. We're going to take what we learned there and apply it in design and procurement, and I think we'll be able to save considerable money before the end of the year. So let's wrap up your consulting gig at the end of the month."

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Part Two: Roller Coaster
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Analysis

Jude saw that he had two problems. First, he needed more clients. Though he had enough money to pay the bills for six months, beyond that he had been counting on the Batch stock to rebound, which was fading a little more every day. Second, he needed something to sell to those clients. Until now, Jude hadn't felt the need to be so specific.

Determined to power through the problem, Jude did what he would advise any other businessperson to do. He asked his customers what they wanted. What really kept them up at night? What made them want to quit sometimes? A few of the executives mentioned quality. Two talked about labor problems. All of them referred to technology changes.

Discovery

Going through his notes for the third time, Jude spotted it. Silos. Everyone but Brian had complained about it at one time or another. Some called it *departmental politics*, or *infighting*, or *lack of divisional cooperation*.

Lindsay described the problem at Children's Hospital where doctors and staff members seemed to be almost at war at times. At his hotel, Dante couldn't get the front office staff to cooperate with housekeeping and maintenance. Father Ralph surprised him most of all when he explained that the Parish Council and the Parent-Teacher Committee were at odds over how to use the school facilities. Then Jude remembered Batch. Headquarters versus the field. Sales versus engineering.

It had been right in front of him all along and yet he hadn't realized how universal the problem was and how much pain it caused. This silo thing was exactly the issue he needed to build his practice around. He decided to approach his old clients and even his old company. And, to his surprise, almost everyone was interested. Everyone, that is, except Brian, the CEO over at JMJ Fitness Machines. ■

Part Three: Rally

Jude wanted to know why. So he made an appointment. "I want to know why it is that you don't think you have a silo problem around here," he asked. Brian invited him to ask the employees themselves.

Snooping

Jude felt like a plainclothes police officer as he roamed the company's halls and the factory floor asking questions. Deciding that it would be best not to bias the people he questioned, Jude always asked the same two open-ended questions: What's going on that's good? What's going on that's not so good? Then he probed in a more direct way. He might ask a factory floor worker, "How do you like working with people from finance?" Or he'd ask someone in sales, "Do you think that marketing is doing enough to help you sell products?" He got nothing that would indicate a silo problem.

Then he began asking a host of more direct, somewhat desperate questions that he thought might elicit some indication of departmental stress. "Which department do you dread working with the most?" "If you had to take resources from one department within the company, which would it be?" Most of those questions provoked looks of confusion more than anything else.

Jude couldn't figure out why Brian's company didn't have a silo problem.

History Lesson

One day, he got the break he was looking for. He discovered that a health club in Los Angeles had purchased 15 treadmills from JMJ, and one of its customers, a minor celebrity, had a serious accident while using one of them. The story hit the press, the health club blamed the manufacturer, competitors took advantage of the situation, and JMJ's lawyers gave the executive team the horrible advice to avoid making any public statements that might hurt them in court.

Within a week, customers began canceling orders and returning recently purchased equipment. Sales dried up, and the company was staring at a major layoff and possibly a shutdown within six months.

And that's when Brian made the most enlightening comment of all. "You know, sometimes I think that was the best thing that ever happened to this company."

Puzzle Pieces

Brian said, "I pulled my team together and told them that we had six weeks to restore our reputation. That meant we had to demonstrate that our products were safe, to rebuild our reputation, to fix our relationships with key customers, and to rebuild morale. We decided that the only way to salvage morale was to get everyone involved, even a little pissed off, about what had happened to us."

Jude was now starting to get excited. "Tell me the truth, Brian. Before all of that happened, was there a silo problem around here?"

Brian thought about it. "Well, I did fire a few department heads because they didn't seem to care as much about the company as they did about their own little fiefdoms. And before I arrived, the incentive trips were limited to people in the sales organization."

Armed with this new intelligence, Jude returned to his former company where, in front of its executive team, he asked the question, "Has anyone here ever worked for a company in crisis?" After hearing several examples from the executives, he suggested Batch could fix its silo problem by finding a way to rally its people around a common cause *before* a crisis hits. ■

Part Four: Moments of Truth

Test Number One

Several days later, Jude continued to flesh out his theory with Lindsay and her team at Children's Hospital. After forcing its executive team out of their departmental silos, he was able to get them to agree that improving patient service was the rallying cry or, as he decided to call it, the ***thematic goal***.

He then asked everyone to write down the handful of things that needed to happen "if we're going to accomplish our thematic goal of improving patient service."

Jude surveyed the room, pointing to each executive for a response. By the time everyone had spoken, Jude had written these four different subject areas on the board:

- **Better patient throughput**
- **Integrated clinical information systems**
- **Improved case management**
- **More joint planning**

After listing these ***defining objectives***, he decided not to wait for someone to ask the next inevitable question: *What about our day jobs?* "Rest assured that we're not forgetting about the fact that we have to continue doing surgery and treating patients and paying bills and collecting insurance," he said. "Those things are and will always be critical. But if that's all we're thinking about, then every month and every quarter and every year that goes by won't make this a better hospital."

Deeper

He then pushed the team to figure out how to measure each of those areas and then to come up with a short list of ongoing operational objectives they needed to track. The team opted to keep the measurements simple by using the color green for objectives that were on track, yellow for not quite there, and red for definitely not there.

The team settled on the following measures for ongoing measurement:

- **Occupancy of Beds**
- **Clinical Outcomes**
- **Operating Income**
- **Staffing Ratios**
- **Cost per Discharge**

This overall structure would help to keep the team focused. If anyone were to argue for something that is good for his or her department or functional area but that doesn't have a meaningful impact on any of these things, then the team would all be able to explain why it shouldn't be a priority.

Fast Forward

Within months, Jude's business grew rapidly through word-of-mouth and strong client references. Over the course of the next three years, his firm had grown to seven consultants and two office staff, and now had a Web site.

On the eighth anniversary of the firm's founding, Cousins Consulting had grown to more than 15 consultants and five staff members handling marketing, finance and client support. Vertical markets had been established in health care, technology, education and nonprofits.

And then one day it happened. It was during a staff meeting. Jude asked for input about how to allocate marketing dollars for the upcoming year. One of his health care specialists responded first. "We think it's about time that we received our fair share of the budget."

Jude frowned. "Excuse me?"

The consultant started to repeat himself. Jude interrupted him. "Who is we?"

"Me and Fred. We think that the health care vertical deserves more money this year."

There it was. The first real silo to sprout at Cousins Consulting. Though he was tempted to dive in and crush it immediately, Jude decided to let it sit there in the open for a moment so he could appreciate it in all its destructive glory.

Then he crushed it. ■

THE THEORY

Introduction to Silos

Building a cohesive leadership team is the first critical step that an organization must take in order to give it the best chance of success. However, even when leadership teams become cohesive, there is another, more structural issue that often thwarts their efforts and creates unnecessary politics within an organization. That issue is silos.

Silos are nothing more than the barriers that surface between departments within an organization, causing people who are supposed to be on the same team to work against one another. And whether this phenomenon is called departmental politics, divisional rivalry or turf warfare, it is one of the most frustrating aspects of life in any sizable organization.

In most situations, silos rise up not because of what executives are doing purposefully, but rather because of what they are failing to do: provide themselves and their employees with a compelling context for working together.

Without context, employees at all levels — especially executives — easily lose their way. Even the most well-meaning, intelligent people get distracted and confused

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Introduction to Silos

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amid the endless list of tactical and administrative details that come their way every day. Pulled in many directions without a compass, they pursue seemingly worthwhile agendas under the assumption that it will be in the best interest of the organization as a whole.

But after a while, employees in different divisions begin to see their colleagues moving in different directions, and they begin to wonder why they aren't on board. Over time, their confusion turns into disappointment that eventually becomes resentment — even hostility — toward their supposed teammates. And then the worst thing of all happens — they start working against those colleagues on purpose!

The Silo Mentality

This maddening problem exists, to different degrees, in most companies. And in too many of those companies, leaders who are frustrated by the silo mentality mistakenly attribute it to the immaturity and insecurity of employees who somehow just refuse to get along with one another.

But the fact is, most employees deep within an organization have a genuine interest in working well across divisions. That's because they feel the daily pain of departmental politics as they are left to fight bloody, unwinnable battles with their colleagues.

If there is a place where the blame for silos and politics belongs, it is at the top of an organization. Every departmental silo in any company can ultimately be traced back to the leaders of those departments who have failed to understand the interdependencies that must exist among the executive team, or who have failed to make those interdependencies clear to the people deeper in their own departments.

There is a simple and powerful way for leaders of any organization to create context around that interdependency: They must establish, for the executive team as well as the rest of the organization, a thematic goal. A rallying cry. ■

The Thematic Goal

A thematic goal is a single, qualitative focus that is shared by the entire leadership team, and ultimately, by the entire organization, and it applies for only a specified period of time.

To avoid politics and turf battles, executives must establish an unambiguously stated common goal, a single overriding them that remains the top priority of the entire leadership team for a given period of time. In turn, this thematic goal serves to align employees up and down the organization, and provides an objective tool for resetting direction when things get out of sync.

Key Elements

A thematic goal is not a long-term vision or, as Jim Collins and Jerry Porras refer to it in their book *Built to Last*, a BHAG (big, hairy, audacious goal). Nor is it a tactical metric or measurable objective. While it is important that companies have both a vision to motivate people and a set of tactical objectives to guide their daily activities, the thematic goal lies somewhere in between them, and may be more important. That's because it bridges the two by making the vision more tangible and by giving the tactical objectives more context. The key elements of a thematic goal include:

Single. There can be only one true thematic goal in a given period. That is not to say there aren't other desires, hopes and objectives at play, but none of them can be attempted at the expense of accomplishing the thematic goal. When a company is tempted — and most always are — to throw in one or two more, they defeat the purpose of the thematic goal, which is to provide clarity around whatever is truly most important.

Qualitative. The thematic goal is not a number, and it is not specifically measurable. It is a general statement of a desired accomplishment. It requires a verb, because it rallies people to do something. Eventually a thematic goal will indeed be supported and clarified by metrics, numbers and target dates. But this comes into play two stages later in the goal-setting process and should not happen sooner.

Time-Bound. The thematic goal does not live beyond a fixed time period, because that would suggest that it is an ongoing objective. To the contrary, it is a desired achievement that must occur during a set period of time — usually between three and 12 months, depending on an organization's business cycle and its unique situation.

Shared. The thematic goal applies to everyone on the leadership team, regardless of his or her expertise or interest. While it is true that some thematic goals will more naturally fit within one particular executive's area of responsibility, it is critical that all team members take responsibility for the goal and for doing anything they can to move the company, not just their department, toward the accomplishment of that goal.

This means executives must remove their functional hats, the ones that say *finance* or *marketing* or *sales,* and replace them with generic ones that say *executive*. And not only do they have to avoid being parochial in their advocacy, they must dare to make suggestions and ask questions about areas other than their own, even when they know relatively little about those areas. That's because the most insightful questions and ideas often come from people with a more objective — even naive — viewpoint than those who live and breathe an issue every day.

But a thematic goal, on its own, will leave an organization confused about what exactly to do. And that's where *defining objectives* come into play. ■

Defining Objectives

Once a thematic goal has been set, a leadership team must then give it actionable context so that members of the team know what must be done to accomplish the goal. These are called defining objectives because they are the building blocks that serve to clarify exactly what is meant by the thematic goal. It's also worthwhile to look at these three required elements of a defining objective:

Qualitative. It is tempting for executives to want to over-quantify defining objectives because it gives them a sense of closure and certainty, especially after struggling with the notion that the thematic goal was not quantified. However, assigning numbers and dates to defining objectives only serves to limit the involvement of leadership team members who cannot see how they might directly impact a numerical target.

Shared. Even when a clarifying objective seems to be geared specifically to a member of the leadership team with functional expertise, it is critical that all leaders assume a very real sense of accountability and responsibility for achieving it. And even if a given executive has no technical knowledge about that objective, he or she must play a critical role in ensuring that every angle is explored and every distraction is avoided. Often the best ideas about an issue come from people not closely involved in that issue.

Time Bound. When the thematic goal is no longer valid, the defining objectives also disappear. ■

Standard Operating Objectives

It is critical to acknowledge the existence of other key objectives that a leadership team must focus on and monitor. These are the regular, ongoing objectives that don't go away from period to period.

Standard operating objectives include topics such as *revenue* and *expenses*, as well as other items such as *customer satisfaction*, *productivity*, *market share*, *quality*, etc. The danger for a company lies in mistaking these critical objectives for a rallying cry, because most employees struggle to rally around "making the numbers" or "cutting costs."

But that's not to say that a thematic goal cannot involve one of these categories. If a company's biggest area of focus in a given period is accelerating revenue growth, then that could be the leadership team's thematic goal. Or maybe in the face of the loss of many key customers, the executive team decides that increasing customer satisfaction is the rallying cry for that period. Fine.

But leaders must resist the temptation to say, "If we don't make our numbers, then nothing else matters." While that may be true in the most literal sense, it doesn't qualify as a thematic goal if it isn't unique to a given period. Instead, call it what it is: a critical but standard operating objective.

By using these standard operating objectives as rallying cries too often, executives engage in the "boy who cried wolf" syndrome, provoking cynicism and lethargy among employees. Calling revenue a standard operating objective shouldn't diminish the importance of achieving it. ■

Metrics

Once the thematic goal, defining objectives and standard operating objectives have been established, a leadership team can now start talking about measurement. Without these three other areas, metrics have little or no context, and employees, including executives, will not be nearly as motivated for hitting those metrics as they could be.

Keep in mind that even metrics are not always quantifiable numbers. Often, they are dates by which a given activity will be completed. Trying to artificially assign specific numbers to immeasurable activities is unwise because it encourages the achievement of arbitrary outcomes that may or may not contribute to the thematic goal. ■

Case Studies

The best way to understand all of this is to look at examples because there are many different kinds of thematic goals and related objectives. Here are two examples:

Example #1: A Global Pharmaceutical Company

Situation: As two of its bestselling drugs went generic, the company purchased a smaller but sizable competitor in order to acquire a host of early stage drugs in the emerging anticholesterol market and related categories.

Thematic Goal: Complete the merger.

Defining Objectives: Establish a comprehensive strategy for the new organization, create a single, unified marketing message, establish a single look-and-feel (logo, collateral, etc.), eliminate redundant and underperforming products, and merge back-office systems and processes.

Time Frame: Nine months.

Standard Operating Objectives: Revenue, market share by product category, profitability by product, employee turnover, and adherence to new product development and approval schedule.

Example #2: A Two-Year-Old Software Company

Situation: Sales have increased faster than plan, along with the number of employees and customers.

Thematic Goal: Establish an infrastructure for continued growth.

Defining Objectives: Install a more scalable and comprehensive accounting system, upgrade the customer tracking system, establish polices and procedures for human resource management and hiring, hire a chief administrative officer, and outsource IT support.

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Case Studies
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Time Frame: Six months.

Standard Operating Objectives: Make revenue numbers, maintain cash flow, retain key customers, achieve positive assessments from market analysts, and get positive marketing/PR hits. ■

For additional information on more examples, go to: http://my.summary.com

Managing and Organizing Around the Thematic Goal

Once a leadership team determines its thematic goal, defining objectives and standard operating objectives, it needs to keep that information alive in the course of running the organization. The place where it needs to be reviewed and discussed is during regular staff meetings.

There are two steps required to establish a real-time agenda, and the process should take no longer than 10 minutes.

First, go around the table and give every member of the team 30 seconds to report on his or her three top priorities for the coming period. Then, review your team scorecard, which is nothing more than a to-be-graded list of the items that make up the defining objectives and the standard operating objectives. Rate the objectives by color — red, yellow or green — based on the judgment and intuition of the leadership team members.

Once the ratings have been done, the team members are ready to decide where to spend their time and energy. This is the time to challenge someone on the team who is planning to spend time on an issue that is either unimportant to the thematic goal, or related to an area that is already doing well. This kind of peer accountability about how team members are prioritizing their precious time and resources is key to an organization's ability to focus, and it is the thematic goal that provides the context for doing this. ■

Thematic Goals and Long-Term Context

When a thematic goal runs its course and is largely accomplished, an organization must come up with another, and then another. Successful organizations achieve a delicate balance between predicting what is going to happen over the long term and responding to unexpected circumstances along the way. This calls for a planning approach that provides the right amount of context without unnecessary restrictions.

A thematic goal provides that context because it exists within the framework of six to 12 months: a time horizon that can be accurately managed. Organizations find that their plans become irrelevant or stale. Shorter-term goals don't provide enough time for people to get their hands around something difficult.

Does that mean we should abandon weekly metrics? Absolutely not. But they should be established within the context of longer-term thematic goals. And what about three- and five-year plans? They're fine too, as long as you don't lead yourself to believe that they're going to last.

When a thematic goal is clearly established and communicated, employees should be able to look up from their work at any given time and see how they're contributing to an outcome that is far enough away to give them the ability to succeed, but not so far away that they cannot imagine ever being finished. ■

Matrix Organizations

Matrix organizations are forums for confusion and conflict. They have certainly not contributed to the breakdown of silos; they've merely added an element of schizophrenia and cognitive dissonance for employees who are unlucky enough to report into two different silos.

But the matrix is here to stay, and so it is critical that we understand how to make thematic goals work within it. Ironically, a thematic goal is exactly what is needed to transform a matrix reporting structure from a tool of confusion to one of collaboration.

The real problem with matrices is that they put employees in difficult situations by asking them to please two leaders who are not aligned with one another. By achieving clarity about the number one priority in an organization, and by clearly identifying the defining and standard operating objectives that contribute to it, an employee will have far less reason to fear being pulled apart at the seams.

And if that employee does start to feel some pull, it is a great opportunity for elevating an issue to the leaders in charge, because, like a canary in a coal mine, it is an indication that alignment is breaking down. ■

For additional information on the extremes leaders choose when planning, go to: http://my.summary.com