

Silos with holes in them

...invest in people and get a business result

Poor coordination between the so-called 'silos' of our private and public sector organisations continues to be a significant reason why many business strategies or initiatives under-perform.

This failure of teamwork across boundaries comes despite a significant investment in team building, leadership development and other cultural change initiatives.

Our experience suggests that teamwork across boundaries can be significantly strengthened when HR professionals partner with operational Business Units to develop this new organisational capability.

As Carlos Ruiz, Head of Organisation Development for Carl Zeiss Vision Global Operations noted, *"This approach has enabled us to invest in people while getting a business result at the same time"*.

Teamwork across boundaries

It is surprising how often we are personally affected by these failures of teamwork across boundaries.

Reflect for a moment. How often, as a customer, have you been frustrated by banks, telecommunications providers, councils, government departments and even restaurants who can't deliver your service because of poor coordination between their silos? Even Gordon Ramsey would be a lot calmer if the kitchen and the waiting staff were skilled in the art of teamwork across boundaries!!

How many of the frustrations in your own organisation emerge as people try to link with other parts of the business to provide services to ever more demanding customers, gather

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information, speed up processes, introduce new products or services and even just get their email to work?

Teamwork across boundaries reveals itself time and again as a source of both frustration and opportunity, and yet until recently it has remained less important than team building for functional teams, or as a potential side-benefit of leadership development and corporate values roll-outs. The business case is now compelling to build this capability.

five deadly sins

Experience and research highlights five examples of poor teamwork across boundaries that appear regularly across private and public sector businesses of all sizes:

1. **costly overruns on the implementation of initiatives** such as new IT systems, supply chain and CRM
2. **turf fights between divisions or sites** that distract people, impact service and prevent problems from being solved along the value chain. These are very common between Sales and Operations Divisions, and between Head Office and Regional Offices [particularly where new technology and distribution channels are changing the nature of people's roles]
3. **delays in commercialising new products / services or policy initiatives**, both at the starting phase because feedback doesn't flow from the customer back through the organisation, and in the launch phase as people get blindsided and are made to look silly in the eyes of customers.
4. **duplication of processes** in administration and operational areas
5. **breakdowns in alliances, partnerships and mergers / acquisitions**, particularly where there are differences in culture that haven't been understood or even acknowledged. These are common place in industries such as resources, construction, utilities and consulting.

Ironically, some of these five 'sins' can be exacerbated by initiatives such as team building and facilitated business planning, because they cause people to focus on, and strengthen teamwork within the boundaries of teams, functions and sites.

A better way

For the past four years we have focused our consulting activities almost exclusively on this challenge of building capability in teamwork across boundaries and have found some interesting and some expected things.

Initially we looked for organisations that were effective or ineffective in their teamwork across boundaries. Almost immediately we became aware that most organisations have examples of both good **and** poor teamwork across boundaries.

This led us to focus on organisational initiatives inside organisations (new product introduction, migrating production to other countries / sites, customer responsiveness etc) rather than total organisations.

From this work a simple model was developed that accurately predicts the success (or failure) of the implementation of the vast majority of initiatives. This model describes five practices that are featured when organisations under-perform when introducing and sustaining new strategies and initiatives, and the contrasting five practices when even the same organisation is successful.

When initiatives failed

When business initiatives failed, the five practices adopted by the 'players' were as follows:

1. **pursue your own agenda** - no shared bigger picture between units, little understanding / empathy for others, leaders allowed conflicting agendas to prevail
2. **avoid and deny** - avoided reality checks, limited use of data in feedback and decision making, poor problem solving practices
3. **stifle communication** - absence of listening, used email as main means of communication, hoarded information, dismissed alternative views
4. **protect your own turf** - prioritised and planned in isolation, used status to influence decisions, fostered inconsistency in processes and systems
5. **play I win, you lose** - blamed as soon as things went wrong, rewarded success inside the silos

When initiatives succeeded

When business initiatives succeeded, the five practices adopted by the 'players' were:

1. **share the big picture** - created and shared one big picture, found common goals / synergies, did what is best for the organisation
2. **share the reality** - focused on real performance, made fact-based decisions, had the tough conversation
3. **share the air** - invited ideas from other areas of the business, expressed opinions clearly and succinctly, listened
4. **share the load** - prioritised and planned together, were clear about roles and expectations, looked for common ground,
5. **share the wins and losses** - paid close attention to joint results, learned and adapted together, rewarded true performance

These elements helped to create a model that both defined the 'best and worst' of teamwork across boundaries but also provided a framework that has proven to be very useful in guiding teams to collaborate and build genuine partnering relationships across the boundaries.

As Kym Williams, Regional General Manager for Parsons Brinckerhoff noted, *"...this is about teamwork across boundaries, learning to connect teams and functions and eliminating behaviours that can hold you back. It's a framework and foundation for creating an environment for high performing teamwork."*

Discarding convention

As the framework was applied, some quite unexpected insights emerged into what worked and did not work. Interestingly these findings have been consistent across a broad range of environments ranging from cross-cultural settings (this approach has been trialled substantially in Australia and Asia), to different industries and sectors (such as mining, banking, consulting, government).

While there have been many lessons, there are four that stand out:

- **Silos are natural and have value**

Many organisations have tried some form of 'destroy the silos' initiative and just about every one has failed. This seems to be because no matter how you construct an organisation there will always be silos. In fact, it appears that the more you try to dismantle the silos the greater the likelihood of 'status wars', unclear roles and resistance to change. The core finding is clear and repeatable: Do not dismantle the silos; instead punch holes in them, or as one Singapore manager put it, '*open the doors and windows*' so that people communicate with each other as partners.

- **Answer the question: Teamwork across which boundaries?**

The first attempts at this method of developing teamwork across boundaries led to some mixed results as it seemed to add to the complexity for some businesses.

The answer to this was ultimately revealed by the question: 'teamwork across which boundaries?'

This led to a focus on a small number of business-critical linkages where the framework could be applied more rigorously and in direct line with the business strategy. The latter gave it so much more credibility and enabled measurement of improvements in quality, cost, service and people.

Importantly this relatively narrow focus also gave two other big advantages:

- ▶ Firstly there was no announcement that yet again someone was about to change the culture!!
- ▶ Secondly, it created sharper and more visible accountability on leaders and leadership teams to display the united leadership that was needed to sustain the initiative.

- **Tools are only part of the answer**

Perhaps the reason why leadership development, traditional team building and business planning don't seem to significantly reduce the 'silo effect' is also reflected in the finding that

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just giving people a range of tools and techniques doesn't really foster and sustain teamwork across boundaries.

Certainly a common set of values, the development of leaders and consistent toolkits for problem solving, project planning and meetings do help, however to sustain change in the way that the silos work together required a shared:

- ▶ mental model / business philosophy ie 'think one team'
- ▶ framework for managers and teams to organise their range of initiatives (based on the five practices as shown earlier)
- ▶ tool kit to bring the mental model and framework to life through day-to-day partnering

Putting together the mental model, framework and tools enabled business units and whole organisations to bring many of their current initiatives together under that one umbrella and to build genuine partnering relationships..

For example, a mining company used this three-tiered partnering approach at a major mine site to address two of their most intractable problems - water management and production volumes. Similarly a large Government agency met the dual challenges of a budget cut and major new government initiative by applying the framework to successful delivering on time and within budget.

As Chris Morley of Canberra-based Results Consulting noted, *'Most Federal Government Departments and Agencies have invested heavily in people and culture development initiatives. Generally they have the skills and capabilities inside the silos but what has been lacking is a way to effectively integrate these to create genuine teamwork across boundaries when it is really needed.'*

▪ **Some tension is good**

It is a fact of corporate life that tension between functions can be healthy. For example, one of the success stories of the past year has been a mid-sized financial organisation where the framework has been applied to building teamwork between the sales and credit functions.

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These two functions have used a partnering tool to define a way of working that is maintaining the healthy tension that is essential for good governance, while measurably boosting the capacity of this business to process loans quickly and to push decision making into the retail branches and not into head office. This means better service, lower cost and a lift in employee engagement.

Lessons learned

Historically, the silos have been tackled through strategies designed to break down the silos through restructuring and cultural change initiatives or to bring people together through cross-functional teams and the use of common toolkits.

The search for an effective approach to teamwork across boundaries led to an awareness that it is actually not that difficult provided that you focus those efforts on driving real business initiatives, don't have an intention of dismantling the silos and put the three tiers of mental model, framework and tools together.

- **Create the philosophy**

After trialling various options we recognised that one of the best ways to engage people in a shared mental model is to create an emotional story to which they can relate. Accordingly, we borrowed from the experience of successful 'engagement' approaches like 'Who Moved My Cheese?' and 'Five Dysfunctions of a Team', and wrote a semi-humorous story under the title think one team™. Set in Sydney, the story brings the mental model to life through all-too-familiar examples of poor teamwork across boundaries. Organisations have used the story to engage the workforce from CEO to frontline and then created their own story about what 'think one team' means for them.

- **Create the Framework**

The five practices provide the framework for effective partnering, and there are definable competencies that sit within each dimension which guide the facilitation of the process. For

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example, Share the Big Picture requires a competency in leaders and teams to be able to find and articulate the case for teamwork across boundaries, while Share the Load requires the capability to jointly plan and prioritise.

Think silos	Think one team
Pursue own agendas	Share the big picture
Avoid and deny	Share the reality
Stifle communication	Share the air
Protect your own turf	Share the load
Play I win you lose	Share the wins and losses

The powerful feature of this simple framework is that leaders and teams can 'test' their practices against a common language and approach without losing the identity of their silos.

- **Create the Toolkit**

Ironically, a lot of the tools that are needed to successfully drive initiatives across businesses already exist in the silos and in development programs, so to create a 'teamwork across boundaries tool kit' has not meant creating something totally new.

Tools such as partnering agreements and problem solving seem to be the most important, however the fact that organisations have most of the tools, means that the focus can be on using those tools to bring the partnering to life in real across the boundaries activities. This is a real plus for the HR / OD team as they see tools from leadership and team programs being embraced and applied to good effect.

The act of creating a tool kit in itself fosters sharing and understanding between business units. A highlight in this area has been a manufacturing company in China which has built the mental model, framework and toolkits into induction, standard operating procedures, dedicated partnering rooms, reporting scorecards and virtually every aspect of the business (and done it in Mandarin!!).

Conclusion

There is a significant need and opportunity in the majority of organisations to build the capability of teamwork across boundaries because it plays such a vital role in executing the business strategies and key initiatives.

While the notion of 'silo-busting' seems to be a waste of time and resources, and expecting to rid the business of all tensions is unrealistic there is significant upside in applying a shared mental model of partnering, a framework and a set of consistent tools across silos or whole organisations. This approach offers the opportunity to genuinely create silos with holes in them as people work together as partners to deliver the needed improvements in quality, cost / profit, service and people.

For HR / OD professionals, perhaps the most promising message of all is that focusing on developing the capability of teamwork across boundaries provides the opportunity to address significant operational issues while also developing leadership and team competencies.

In the tight economic climate, that really is a way to invest in people and get a business result at the same time.

Graham Winter is an Australian Psychologist who specialises in the area of teamwork across boundaries. He is the author of the recently released think one team (Jossey Bass), and High Performance Leadership (Wiley). More information is available at www.thinkoneteam.com.