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The organization’s heroes put in the long hours to get the job done – because, and often ostensibly, because others in the organization do not have the knowledge, judgment, experience, training or skills to do the job.

The transformation from a hero culture to a business process based operating culture is difficult.

Organizations that fit this profile are characterized by rapid growth driven by a cast of “Heroes.” Heroes are the core group of people that are very intelligent and very driven. They figure out the business “as they go” because often there is not a traditional model to follow.

Contrary to appearances, the hero-based culture is extremely inefficient and creates a rigid environment that lacks the agility to respond to rapidly changing conditions – customers, competitors, product lines, regulations, economics, talent, etc.

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Transforming a Hero Culture

Business Transformation Best Practices



This In-Depth Five-Page Whitepaper Includes:

- Recognizing a Hero Culture
- The Myth of Hero Based Work
- Why Heroes Impeded an Organization
- The Strategic Inflection Point
- Stuck in a Hero Culture?
- Transforming a Hero Culture
- Creating Scalable Agile Business Process
- Embracing Heroes to Optimize Enterprise Value

Transforming a Hero Culture

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Recognizing a Hero Culture

A “hero culture” is an organization, or a functional area of the organization, that is run by a group of hard-working, highly talented “heroes” on sheer strength, will and knowledge.

The organization’s heroes put in the long hours to get the job done – because, and often ostensibly, because others in the organization do not have the knowledge, judgment, experience, training or skills to do the job.

The transformation from a hero culture to a business process based operating culture is difficult. This applies to organizations in the pre-IPO stage, rapid growth organizations and to organizations that are more mature but have not yet made the transition from an entrepreneurial culture to a process based operating culture.

Organizations that fit this profile are characterized by rapid growth driven by a cast of “Heroes.” Heroes are the core group of people that are very intelligent and very driven. They figure out the business “as they go” because often there is not a traditional model to follow.

The business operational knowledge of the organization lives largely as tribal knowledge in the minds of the heroes and has not been captured and formally disseminated among the “troops.”

The “hero-based” culture is most evident in the early and rapid growth stages of an organization. This is when a hero-based culture is often necessary and often the most appropriate approach to managing the chaos of rapid growth.

Early stage tech start-ups, for example, usually produce unprecedented products or service offerings that have to be pioneered from the ground up – an established business model does not exist.

And to pioneer such an enterprise, start-ups hire many very smart people and turn them loose. This approach relies on the decentralized judgment and creativity of a lot of very smart, talented and motivated people.



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Eventually, a stable business-operating model emerges and begins to mature. Therefore, the early stages of development of the organization rely heavily on these smart, creative “heroes” to discover a viable sustainable operating model.

But an operating company with a hero-based culture is extremely inefficient. Contrary to appearances, the hero-based culture creates a rigid environment that lacks the agility to respond to rapidly changing conditions – customers, competitors, product lines, regulations, economics, talent, etc.

Things become “delicate,” because now, the creative geniuses that are behind the business are standing in the way of progress. A hero-culture is hard to change, which is why I say it is rigid. An entrenched “hero-culture” impedes the essential transformation into an agile, efficient, effective business processes-based organization.

Once a business is established, and rules are defined and in place, the hero role (not the person) becomes obsolete. The hero culture has to transition into a process culture, otherwise the business cannot move forward.

Staying in the hero-culture prevents a business from freeing up its most valuable assets and resources - people and time. The organization cannot rapidly scale and keep up with growth and changing conditions.

The Strategic Inflection Point

Growth drives successful organizations to reach a “strategic inflection point,” a term coined by Andy Grove of Intel. A strategic inflection point is a major shift or change in an organization’s business environment – such as competition, regulatory change or economic conditions that requires an organization to rapidly adapt - or risk going into decline.

The inflection point of rapid growth occurs when the organization’s internal stakeholders – staff and management sense that the chaos is becoming increasingly unmanageable while concurrently the organization is increasingly accountable to a broader range of external stakeholders, including shareholders, banks and regulators.

With forces of change building to a point of transformation, the organization has to develop operational efficiency and produce consistent, timely and reliable operating metrics.

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To successfully move through this strategic inflection point, an organization has to transform from an entrepreneurial, hero-oriented culture, to an operating company based on business process.

As the organization's culture becomes more process-driven, it gains operational efficiency by separating out the rules-based work activities from knowledge and judgment based work activities.

As an individual, if you are a hero, evaluate what you are doing. You may be working long hours to ensure perfection, but you could be standing in the way of progress. You may not realize it, but being a hero is not a viable long-term strategy. Do not obstruct organizational progress. A hero culture is not sustainable.

A process-oriented organization manages people and resources in an extremely efficient manner. Rules-based activities become standardized and executed through a combination of business systems and people. These processes are optimized to execute rules-based work activities, which don't require special knowledge.

This enables the highly skilled individuals to apply the knowledge and judgment that they were hired for, which creates value for the organization. Their resources are no longer shackled by tedious rules-based work. That rules portion of their work is then taken over by either business systems or administrative resources.

A process-based culture enables an organization to scale - grow revenue exponentially while adding resources linearly. The organization is "scalable." Being scalable is essential to creating business value. This is because a process-based culture allows business processes, rather than highly experienced heroes, to do the heavy work associated with rules-based procedures.

A process culture continually identifies opportunities to automate rules-based work and shift rules-based work to less experience resources. The business can focus the talent of their best and most experienced resources on maximizing the creation of business value rather than hero work.

Process standardization is not a strait jacket that stifles creativity. Process standardization actually enables more creativity. The people who are performing creative work spend less time handling rules-based work and more time pursuing the valuable activities that they are highly adept at performing.

Alternatively, as a hero-oriented organization grows, the organization must add more heroes in proportion to its growth. The hero's staff is not being trained to

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do the work. Each “hero” has a monopoly on the skills and knowledge to manage their area of work.

A hero-oriented organization cannot leverage the talent of its heroes. To expand, they need to hire more heroes. Knowledge, judgment, skills and information are bottlenecked into the hero culture.

In a process-oriented organization, the process does the heavy lifting of the rules-based work. As the organization grows, the requirement for additional resources is incremental. The organization can scale - grow exponentially and remain agile!

Stuck in a Hero Culture

Many mature organizations are also stuck in a hero culture. And this problem is not limited to early stage start-ups. Many large organizations struggle to move through a strategic inflection point. Rather than transforming into a process-driven culture, they remain stuck.

The same is also true on a “micro” level in the organization, within business functions departments, divisions or business areas. Some areas may evolve to become process-oriented, while others remain stuck in a hero-culture. That’s a big problem!

A hero culture stunts an organization’s ability to scale-up and become more efficient. Heroes do not develop the people who report to them. Heroes expose businesses to risk because heroes are often the sole source for that deep tribal knowledge.

Hero work is not sustainable – heroes eventually burn-out. There is inherent risk associated with losing a hero with deep tribal knowledge. Heroes tend to bottleneck business process because they, alone, can handle their work.

Transformation from a Hero to a Process Based Culture

Following the initial investment by venture capitalists, the catalyst for transformation in start-ups comes in the next wave of stakeholders - bankers, shareholders and other external stakeholders - who demand transformation.

Optimally, the catalyst for change in a mature organization stuck in a hero culture is the board of directors and senior management team, on behalf of the stockholders and stakeholders in the organization.

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But often, the hero culture is only seen at a functional level, below the purview of senior management. In such an organization, it's essential for management and staff to recognize and acknowledge the hero-oriented culture. Then, find the pockets of heroes and begin to transform the heroes to unlock their core value as mentors and innovators.

Regardless of where you are in the organization, you can be the catalyst for transformation. As the organization transforms from a hero-oriented culture, if you are a catalyst for change, you may experience pushback from the people doing the knowledge and judgment work. They frequently complain they don't want to be shackled by defined, standardized business processes.

But, when the process is defined and standardized, the organization transforms from a hero culture to a "process-based" culture. The rules are distilled, stabilized and disambiguated.

Transformation actually enables people who are performing creative work and knowledge and judgment based work to spend less time handling rules-based tasks and more time pursuing activities that produce the most value. It is counter intuitive until you've been through it, but a process-based culture is more liberating than it is confining. It's the hero-based culture that confines individuals.

If you identify with the hero-culture in your organization, it is a red flag that your organization needs to change. Be the catalyst for change in your organization – it's essential to thriving in a rapidly changing globally competitive business environment.

The Next Step

It's a very complex, globally competitive, rapidly changing business environment. Ask yourself some critical questions. Are the business processes and supporting applications in your organization really keeping pace with ever increasing demands for organizational effectiveness and operational efficiency?

Do your team and your organization have the critical thinking skills and analysis techniques to rapidly identify, analyze and articulate essential business requirements? Are you able to rapidly define and specify your business requirements at the level of detail of functional requirements?

If you can, what are the benefits? If you can't, what are the risks?

Successful business analysis requires business knowledge, adept judgment and seasoned experience. Inteq's elite business analysis training programs and professional consulting services enable you, your team and your organization to achieve high-impact high-value results quickly.

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