**CEO POINT OF VIEW QUARTERLY q3**

**Thinking Dimensions Global**

Insights and Actions for Executives

# CEO P.O.V.

## Results through Role Clarity

## ALL THE WORLD'S A STAGE AND ALL THE MEN AND WOMEN ARE MERELY PLAYERS, THEY HAVE THEIR EXITS AND ENTRANCES; AND ONE MAN IN HIS TIME PLAYS MANY PARTS...

LONG before William Shakespeare penned these lines in *As You Like It,* people have been concerned about the concept and utility of roles, about who is going to do what - in organizations, project teams, committees, task forces, clubs, families or work group; in order to achieve common goals. In a business context, people can be likened to the actors in a play. Each person occupies a position that is linked or interfaces with other positions in the organization. As in the case of stage actors, business people cannot "act out the play" unless they understand their own role and that of the other people with whom they interact. Well designed roles, which are understood by all the participants, form the operational bedrock on which effective organizations are built.

Anyone who has ever run a business, organized a project or led a team will know how hard it can be to get all the team members on board to ensure that everyone knows where the enterprise is heading, recognizes their contribution in this effort and agrees on what it will take to succeed. That is what role clarity is all about... a process that specifies the "hard" deliverables required by the organization…as well as the "soft" behaviors of human interactions that assist…or get in the way of…the achievement of the those organizational goals.

> *Role Clarity specifies the "hard" deliverables required by the organization, as well as the "soft" behaviors of human interactions that assist or get in the way of the achievement of organizational goals.*

## BACKGROUND: McKinsey's 7 S Model

The Role Clarity methodology grew out of the McKinsey's 7S model that was originally developed by senior partner, Bob Waterman, and his associate, Tom Peters. There was growing frustration, especially at the operational level of business, about how to apply these concepts. While intellectually sound, the application of the 7S model most often got stuck in intellectual debates at the board level. In their defense, the 7S model was always intended to be descriptive, not prescriptive. Further research by Peters and Waterman tried to seek a link between the application of the 7S model and the effectiveness of organizations. When their data could not support any significant correlations, they published their antidotal findings in the seminal work, In Search of Excellence (1982).

The 7S model is based on the premise that an organization has seven fundamental processes that bind it together. It is not just strategy, structure and systems as the old "command and control" philosophy had preached. It also includes 4 supporting processes:
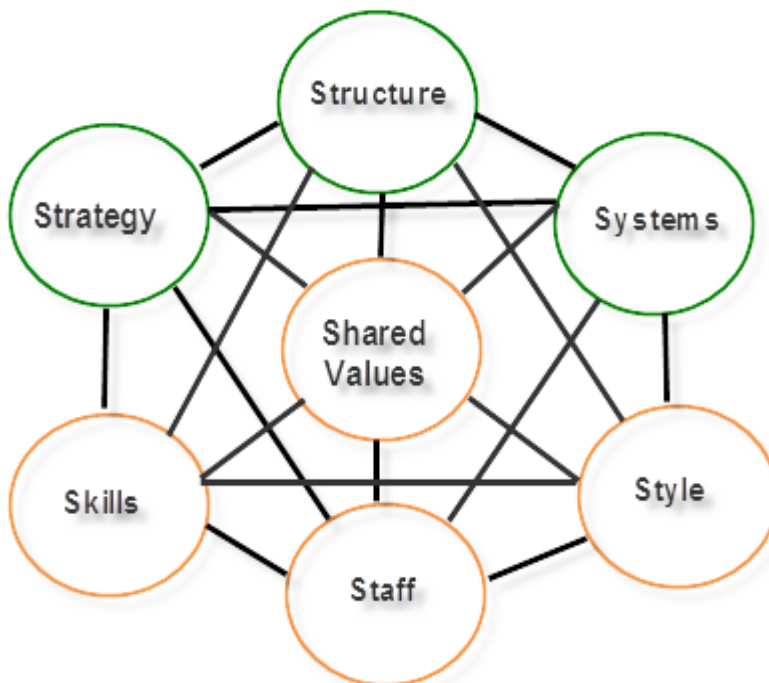


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Peters and Waterman categorized the 7S's into hard S's and soft S's. What distinguishes between a Hard S and a Soft S? The hard processes (green circles) are easier to measure... They can be found in strategic goals, corporate plans, organizational charts and individual objectives.

The four soft S's, however, are more difficult to assess and measure. They are subjective, not objective. They are perceived... "Smelt or felt..." as opposed to precisely measured. They are more difficult to describe since skills, behaviors, and aspects of corporate culture are continuously evolving. They are highly affected by the people at work in the organization...and in some cases, they are the people. Because of this, it is more difficult to manage the characteristics of the soft processes. Although the soft processes are below the organizational surface, they can have a great impact of the hard Structures, Strategies and Systems of the organization.

**HARD S's**

Objective

Measured

Tangible

Deliverables

**SOFT S's**

Subjective

Perceived

Intangible

Behavior

| The Hard S's | |
|---|---|
| **S**trategy | Actions a company plans in response to or anticipation of changes in its external environment.<br><br>**Answers the question: What products/services do we offer to which markets?** |
| **S**tructure | Basis for specialization and co-ordination influenced primarily by strategy and by organization size and diversity.<br><br>**Answers: Who reports to whom?** |
| **S**ystems | Formal and informal procedures that support the strategy and structure.<br><br>**Role Clarity is one of those "systems". Answers the questions:**<br>**What is my role in the organization?**<br>**What are my specific deliverables?** |

## The Soft S's

| | |
|---|---|
| **S**tyle/ **C**ulture | The culture of the organization:<br><br>• Organizational Culture: the dominant values, beliefs and norms which develop over time and become relatively enduring features of organizational life.<br>• Management Style: more a matter of what managers do than what they say; How do a company's managers spend their time? What are they focusing attention on? Symbolism – the creation and maintenance (or sometimes deconstruction) of meaning is a fundamental responsibility of managers.<br><br>**Answers the Question: How am I expected to behave in this organization?** |
| **S**taff | The people/human resource management – processes used to develop managers, socialization processes, ways of shaping basic values of management cadre, ways of introducing young recruits to the company, ways of helping to manage the careers of employees.<br><br>**Answers the question: What process do we have for people management?** |
| **S**kills | The distinctive competences – what the company does best, ways of expanding or shifting competences<br><br>**Answers the question: What skills must I have to do this/or the next job?** |
| **S**hared Values/<br><br>**S**uperordinate Goals | Guiding concepts, fundamental ideas around which a business is built – must be simple, usually stated at abstract level, have great meaning inside the organization even though outsiders may not see or understand them.<br><br>**Answers the question: What are the vision/ values/ mission of the organization?** |

**E**ffective organizations, the authors purport, achieve a fit between these seven components…and if one of them changes, then this will alter all the others. In order to affect a successful change process, organizations need to balance their efforts on the hard S's: Strategy, Structure and Systems as well as the soft S's…Skills, Staff, Style and Shared Values. Peters and Waterman captured the attention of business people worldwide by contending that the more successful companies worked harder at the soft S's than less effective organizations. The soft factors were seen to make or break a successful change process, since new structures, strategies and systems are difficult to build upon incongruous cultures and values.

**T**he 7S model makes interesting reading for students of business literature. It is comprehensive, entertaining and largely anecdotal.  It is not, however, prescriptive. It provides no insights into the processes for a manager or leader to implement any of those Hard or Soft S's. That is where Role Clarity starts.  It operationalizes the organization's strategy and structure. It prescribes very specifically  who is going to do what around here…how performance will be measured as well as how people are expected to behave.   Most managers have heard the phase "Structure follows Strategy".   Ok…so what follows Structure?   Role Clarity is the primary leadership process that needs to be addressed in order to execute one's strategy.  In the absence of such a process or tool, many organizations falter in the execution of their well designed and intentioned strategies.

The **7 S**'s model defines the vital components of organizational strategy, but it does not prescribe *Roles*.

**Role Clarity** defines who needs to do what, and how performance should be measured

## ROLE CLARITY PROCESS

**T**he process of Role Clarity is implemented in organizations through a series of cascading team workshops. This is usually done as part of the organizational planning cycle following a strategic planning exercise, wherein senior executives review/align/modify the organization's strategy and near term goals. In order to affect those strategies, each team and team leader are given a short set of individual pre-session reading materials and application exercises about Role Clarity. They then meet as a team to apply their learning to their actual roles in the organization.

This is not a training session but an actual "doing" session. It deals with real people, in real positions dealing with real issues. This process is generally but not necessarily facilitated by an outside consultant in the process.

**T**he principles that underpin the Role Clarity process can be conceptually expressed as follows:

$$E = f (O,B)$$

where E = effectiveness; O=outputs and B=behavior

**D**eciphered, all this simply states is that effectiveness is determined in the business world by one's ability to deliver the outputs the organization wants…. and here's the kicker…to do that in a manner (behavior/style/tone) that is acceptable to the organization. The factors determining effectiveness are independent variables…being good at one has no causative relationship with the other factor, and vice versa. That's the hard and the soft…the ying and the yang…the measured tangibles and the perceived intangibles. While this formula demonstrates the comprehensive conceptual thinking behind the role clarity process, practitioners of Role Clarity (business people) are far more interested in its application than its intellectual underpinnings.

The Role Clarity process is hammered out at the team sessions and is two pronged: (a) it involves the application of a set of guidelines in determining the outputs, measures and objectives of those tangibles required by the organization - the hard stuff (b): it also includes a section on behavioral expectations required by and from each of the team members - the soft stuff.

This "how to" process facilitates team formation and cohesion while getting agreement on the role of the entire team and its constituent members.  It is not unusual to hear remarks at a Role Clarity session such as "So that's what you're supposed to do" said in a light-hearted but enlightening tone. It pins accountability for deliverables to the chest of individuals and their teams.   It provides clear, crisp measures for milestone assessments and coaching opportunities as well as performance definitive metrics for project management and goal attainment. It opens up communications and collaboration between team members as behavioral expectations are clarified and agreed upon before they become blockages to individual, team or organizational effectiveness.

## CONCLUSION

The Role Clarity process needs to be the first active step in strategy implementation. All too often, following that successful off site meeting, the team returns with great energy only to be overwhelmed by pressing operational issues.  Most teams are pretty good at holding that annual offsite to review and update their strategy; fewer teams are really good at executing against it consistently. The Role Clarity needs to be integrated with the strategic planning cycle...so leaders can execute against their well formulated strategies.

*This article was authored by Bill Dunn, Partner Thinking Dimensions Global (TDG) and Executive Director Thinking Dimensions LLC , VA USA.*

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