



The Advantage: Why Organizational Health Trumps Everything Else In Business By Patrick Lencioni

What makes a Successful organization? Organizational Health.

What is Organizational Health? “An organization has integrity—is healthy—when it is whole, consistent, and complete, that is, when its management, operations, strategy, and culture fit together and make sense.....A good way to recognize health is to look for the signs that indicate an organization has it. These include minimal politics and confusion, high degrees of morale and productivity, and very low turnover among good employees.”

Why is Health more important than Intelligence? “Health Begets—and Trumps—Intelligence. An organization that is healthy will inevitably get smarter over time. That’s because people in a healthy organization, beginning with the leaders, learn from one another, identify critical issues, and recover quickly from mistakes. Without politics and confusion getting in their way, they cycle through problems and rally around solutions much faster than their dysfunctional and political rivals do. Moreover, they create environments in which employees do the same. In contrast, smart organizations don’t seem to have any greater chance of getting healthier by virtue of their intelligence. In fact, the reverse may actually be true because leaders who pride themselves on expertise and intelligence often struggle to acknowledge their flaws and learn from peers. They aren’t as easily open and transparent with one another, which delays recovery from mistakes and exacerbates politics and confusion. That’s certainly not to say that being smart isn’t desirable, just that it provides no inherent advantages for becoming healthy.”

The Four Disciplines Model towards Organizational Health:

DISCIPLINE 1: BUILD A COHESIVE LEADERSHIP TEAM

BEHAVIOR 1: BUILDING TRUST -

There is always a backstory. Find out what it is when possible.

BEHAVIOR 2: MASTERING CONFLICT-

Learn to mine for conflict. Don’t let conflict fester below the surface, give permission to talk through the conflict.

BEHAVIOR 3: ACHIEVING COMMITMENT -

—“The reason that conflict is so important is that a team cannot achieve commitment without it. People will not actively commit to a decision if they have not had the opportunity to provide input, ask questions, and

understand the rationale behind it. Another way to say this is, “If people don’t weigh in, they can’t buy in.”

-Get specific agreement at the end of each meeting

BEHAVIOR 4: EMBRACING ACCOUNTABILITY

“When team members know that their colleagues are truly committed to something, they can confront one another about issues without fearing defensiveness or backlash. After all, they’re merely helping someone get back on track or seeking clarity about something that doesn’t seem right.... The only way for a team to develop a true culture of peer-to-peer accountability is for the leader to demonstrate that she is willing to confront difficult situations and hold people accountable herself....Why would a team member want to confront a colleague about an issue when the team leader isn’t willing to and is probably going to let them off the hook anyway?”

BEHAVIOR 5: FOCUSING ON RESULTS -

“The ultimate point of building greater trust, conflict, commitment, and accountability is one thing: the achievement of results.....The only way for a team to really be a team and to maximize its output is to ensure that everyone is focused on the same priorities—rowing in the same direction, if you will. When the marketing department defines itself by how well it does marketing and the other departments do the same in their functional areas, there is no reason to expect synergy within the team.”

CHECKLIST FOR DISCIPLINE 1: BUILD A COHESIVE LEADERSHIP TEAM

“Members of a leadership team can be confident that they’ve mastered this discipline when they can affirm the following statements: The leadership team is small enough (three to ten people) to be effective. Members of the team trust one another and can be genuinely vulnerable with each other. Team members regularly engage in productive, unfiltered conflict around important issues. The team leaves meetings with clear-cut, active, and specific agreements around decisions. Team members hold one another accountable to commitments and behaviors. Members of the leadership team are focused on team number one. They put the collective priorities and needs of the larger organization ahead of their own departments.”

DISCIPLINE 2: CREATE CLARITY

SIX CRITICAL QUESTIONS:

“Failing to achieve alignment around any one of them can prevent an organization from attaining the level of clarity necessary to become healthy. These are the six questions:

1. Why do we exist? 2. How do we behave? 3. What do we do? 4. How will we succeed? 5. What is most important, right now? 6. Who must do what?"

Make a plan! Don't Get "PERFECTION PARALYSIS". "So many organizations struggle with this idea that there are no right answers. I think they've been influenced by academics, analysts, and industry pundits who falsely attribute business success to intellectual precision and accuracy in decision making....leaders of (good) organizations will almost always tell you that what they were really good at was not necessarily having the right answer, but rather being able to rally around the best answer they could find at the time...a plan is better than no plan. "A good plan violently executed today is better than a perfect plan executed next week.""

DISCIPLINE 3: OVERCOMMUNICATE CLARITY

"People are skeptical about what they're being told unless they hear it consistently over time."

The best way to communicate and reinforce clarity is by trickle down. Get leaders talking to others and allowing people to hear it firsthand from others.

DISCIPLINE 4: REINFORCE CLARITY

Repeat. Repeat. Repeat.