Organizations That Learn
Session 3 – Purpose & Principles (II)

Why are we here?
What will we do?
How will we proceed?

Goal for the session: Agree on the path(s) forward, commit to working within the agreed structure(s), and define critical next steps.

Agenda
7:00 – 8:15  Set up: Group meetings
8:15 – 8:45  Sign up: Group reports & selection
8:45 – 9:30  Take off: Steering
9:30 – 9:45  Path forward

Set Up - Group meetings (7:00 - 8:15)

Goal. The goal for this portion of the evening is to allow each group to further develop its vision and an initial action plan in enough detail to overcome inertia – to overcome any initial resistance that may stand in the way of moving forward. This will help ensure a successful takeoff for the enterprise. Alternatively, members of a group may decide to close up shop and find another home. Members are always free to migrate to another group.

Plan. We'll begin with the five groups from last week plus one additional group (John and Glenn). Based upon the NY Times articles each group will, by the end of the discussion, do one of two things:

- **Set up shop.** Further articulate its purpose, vision, principles (core values) and identify first steps to get there; i.e., clarify its “shared vision” and develop a preliminary plan
- **Go out of business.** Decide that there is insufficient energy, passion, definition, commitment, etc. around the group’s purpose to make it happen. In this case members of the group may choose to investigate joining another group or may start over and rediscover its purpose.

If a group decides to move forward it should be prepared to report back briefly at the end of the discussion its shared vision for the future including:

- Purpose
- Core Values
- Major goals (BHAG)
- Vivid description (image, picture, galvanizing narrative, etc.) of what it will achieve
- Some concrete first steps towards the major goals

In clarifying the group’s purpose the following tools (as well as the attached samples) may be useful:
“Five why’s” – Start with a descriptive statement of your purpose of the form “We will do X.” Then ask “Why is that important?” Repeat. After a few “Why’s” you’ll know whether you’ve reached the group’s fundamental purpose.

“Why bother?” What would we lose if we lost this organization even if every individual in it could find a spot in some other group?

“Would I show up?” Is the purpose of our organization such that if I woke up tomorrow morning and realized I had already graduated from UVA, I would still look forward to actively participating in this organization?

B. Sign Up (8:15 – 8:45)
Report back from groups, discussion and sign up

C. Take Off – Steering (8:45 – 9:30)
One of the observations from our initial session was that “steering happens” – “steering is necessary … to a degree.” We could attempt to develop collaboratively a variety of different models for steering our organization and then arrive at a consensus. Since this would take quite a bit of time we suggest another approach. We offer the following model as a hypothesis to be tested over the next few weeks. If it’s not working to our satisfaction we tweak it or throw it out and begin again. It’s offered as a point of departure to expedite the process.

Steering Group Proposal. Each team selects one steering group representative. Representatives serve on the steering group for a fixed term. When the term is up the team selects a new representative. To ensure some continuity, the terms differ: the term for groups A, B & C is three weeks and for groups D & E is five weeks.

Pair up randomly and discuss this proposal for about five minutes. Then reconvene for class discussion and consensus.

In your groups discuss, identify and record the following:
  o Key tasks that the steering group might assume
  o Task priorities
  o A steering group representative
  o A better name for the “steering group”

D. Path forward (9:30 – 9:45)
  Session 4 – A Coda?
  Steering group meetings
  Steering group agenda – Blackboard forum
  Group communication – Blackboard
  “Whole class journal” - Blackboard
  Journal prompts

E. Adjourn
Purpose & Values


Core Values – An Organization’s Essential Principles
“Who we are”

Merck
Corporate social responsibility
Unequivocal excellence in all aspects of the company
Science-based innovation
Honesty and integrity
Profit, but profit from work that benefits Humanity

Nordstrom
Service to the customer above all else
Hard work and individual productivity
Never being satisfied
Excellence in reputation; being part of something special

Philip Morris
The right to freedom of choice
Winning – beating others in a good fight
Encouraging individual initiative
Opportunity based on merit; no one is entitled to anything
Hard work and continuous self-improvement

Sony
Elevation of the Japanese culture and national status
Being a pioneer – not following others; doing the impossible
Encouraging individual ability and creativity

Walt Disney
No cynicism
Nurturing and promulgation of “wholesome American values”
Creativity, dreams, and imagination
Fanatical attention to consistency and detail
Preservation and control of the Disney magic
Core Purpose – An Organization’s Reason for Being “Why Are We Here”

3M: To solve unsolved problems innovatively
Cargill: To improve the standard of living around the world
Fannie Mae: To strengthen the social fabric by continually democratizing home ownership
Hewlett-Packard: To make technical contributions for the advancement and welfare of humanity
Lost Arrow Corporation: To be a role model and a tool for social change
Pacific Theatres: To provide a place for people to flourish and to enhance the community
Mary Kay Cosmetics: To give unlimited opportunity to women
McKinsey & Company: To help leading corporations and governments be more successful
Merck: To preserve and improve human life
Nike: To experience the emotion of competition, winning, and crushing competitors
Sony: To experience the joy of advancing and applying technology for the benefit of the public
Telecare Corporation: To help people with mental impairments realize their full potential
Wal-Mart: To give ordinary folk the chance to buy the same things as rich people
Walt Disney: To make people happy

Organizations as Systems

It’s often useful to think of an organization as an integrated collection of systems at three levels: organization, group, and individual. Systems at each of these levels can then be evaluated in terms of three roughly parallel dimensions concerning performance, process and relationships:

<table>
<thead>
<tr>
<th>Organizational (Class as a Whole)</th>
<th>Group</th>
<th>Individual</th>
</tr>
</thead>
<tbody>
<tr>
<td>Goal attainment</td>
<td>Productivity</td>
<td>Task performance</td>
</tr>
<tr>
<td>Resource utilization</td>
<td>Collaboration</td>
<td>Membership behavior</td>
</tr>
<tr>
<td>Adaptability</td>
<td>Quality of communication</td>
<td>Affective response (how it felt to you)</td>
</tr>
</tbody>
</table>