CHAPTER 6: THE ROAD TO ORGANISATIONAL TRANSFORMATION FOR COMPANIES IN ZIMBABWE

6.0 Introduction

This chapter seeks to lay out a roadmap towards organisational transformation for companies in Zimbabwe.

Relevant evidence from the within and cross case analysis will be used to develop the theory.

An emerging model based on the 7 themes from Chapter 5 will be used to come up with an elaborated model. Each component of the emerging theory/model and elaborated theory/model will be explained to reflect what it is and why it is important.

Enfolding literature will be used to sharpen the theory/model.

6.1 The Theory Building Platform

From the evidence, lessons from both success stories and failures experienced form the basis of theory/model construction. In particular, two models surfaced as part of the evidence from PLEASURE and FINANCE. Whereas the model for PLEASURE suggested for future use in PLEASURE by the former FD was based on lessons from failures, the FINANCE model was used successfully.

6.1.1 Lessons from PLEASURE Failures

Asked to draw lessons from what he had experienced in PLEASURE, the former FD responded by proposing a diamond model comprising measurement, positioning strategy, investment management processes, operational processes and organisational alignment.

He detailed the model:

Measurement
Measurements that capture the commonality between shareholder and customer should be devised and implemented if this value exchange optimisation is to work.

PLEASURE's measurements, for example, should be supplemented by items like profitability per customer, capital employed per customer, shareholder equity employed per customer, cost per customer or group of customers.

These measurements focus on areas where there is a commonality of interest between shareholder and the customer. It would therefore be easier to track and communicate the value the shareholder has invested into each customer. Measurement would thus guide effort, investment, process design, and resource allocation decisions.

Positioning strategy
PLEASURE should have started by getting a clear understanding of who its customers are, what they need/want, what should its target customer universe be and profit potential of each target customer universe and profit potential of each customer. How large is the full potential gap? Does PLEASURE have the elements of the core offerings necessary to achieve that full potential?

Investment management processes
Management should identify and understand the value/return required by its investors and match that value to the need identified under positioning above.

Once the core value exchange elements are in place, the net challenge is to design investment processes for optimising the value exchanges.

The focus should be to eliminate waste i.e. investment that is not needed by the target customer or investment the customer will not pay a premium for now or in the future. This can be done effectively and efficiently with operational processes below.

Operational processes

To optimise the value exchange requires efficiency and effectiveness. The company should define and have clarity of the overall configuration of processes needed to deliver optimal value exchanges. The company should be clear on how it can manage the trade-off between adding value exchange and costs of operational complexity.

PLEASURE, for example, must begin 'by identifying the optimal value exchanges and work backwards to design the kinds of processes needed to deliver them'.

By allocating investment/costs carefully, companies can ensure that any additional cost of increased complexity is justified by increased relationship profitability.

PLEASURE, for example, should put its key processes and standards of quality and service to be achieved by those processes. … It is through this scientific and systematic approach that managers can efficiently and effectively focus investment or disinvestments on areas that optimise or fail to optimise the value exchange.

Organisational alignment

Lastly, it is necessary to foster appropriate attitudes and behaviours in the people who are necessary to make them work.

It is necessary to align the rewards of the value exchange i.e. to both shareholder return (profitability) and customer value (quality and service).

Management should also have a good appreciation of their role. The role to be a manager of the value optimisations and not either a shareholder or a customer.

A synthesis of the suggested model reflects that PLEASURE should have used staff to identify customers, define customer needs, develop products and services to satisfy customer segments, look at delivery processes suited to each segment and mechanisms required to support delivery of products and services.

6.1.2 Lessons from FINANCE Successes

Given that FINANCE is one of the cases that has registered consistent successes in its transformation efforts, there is need to highlight the home-grown model that was used.

The document containing the strategy and business plans for the period January 1999 to December 2003 highlights the salient features of the model used:

- Having selected FOCUS as our strategic springboard, management has a business model known as Process Approach.

- This model puts the customer at the pinnacle of everything the Bank and its people do. The South African based strategic partner has also adopted the same strategic approach and has so far applied it with good results.

- The Process Approach model was first presented to the FINANCE Board in September 1998 as an indicative strategy for the Bank and the board gave a nod to its further development and use in the new FINANCE.

- Starting off with customers, the model forces management to dissect their customers and fit them into segments with common characteristics, followed by an understanding of the types of products and services which satisfy the needs of each customer segment.

- With the customer and his/her needs defined, the model looks at what delivery channels suit which segment taking into account the geographical distribution of the customer segments and the feasibility of such a distribution channel.

- Last but not least, support mechanisms are then determined and both human and material resources allocated within given structures.

A synthesis of the FINANCE Process Approach suggests that FINANCE used staff to identify customers, define customer needs, developed products and services to satisfy customer segments, looked at delivery channels suited to each segment and mechanisms required to support delivery of products and services.

The FINANCE approach is supported by Bishop's (2001:138) assertion that:

One way or another, customers are the external focus of change strategies. Whether the change effort involves bringing in new technology, becoming a stronger global company, or creating new products and services, the ultimate goal is to serve the customer better, faster, and cheaper. While the initial goal might seem like its purely internal - creating a new manufacturing process that will improve production efficiency - the end-goal is to manufacture products in ways that allow savings to be passed on to customers.

Whereas the FINANCE **Process Approach** is centred around paying customers, the within case and cross case analysis has already reflected the existence of other key players in transformation over and above paying customers.

For the purposes of this theory/model development, I define a ==customer== as a==nyone who comes to someone expressing a need or expectation for something==. This definition covers internal as well as external stakeholders. It therefore makes sense to frame questions to guide the theory development process in a manner that caters for internal as well as external business stakeholders.

A closer examination of the FINANCE **Process Approach** and the model suggested for PLEASURE given both the within case analysis and cross case analysis leads to the design of seven questions for theory development.

The seven questions to be addressed are:

Question 1: How are internal business stakeholders mobilized to participate in the transformation of an organisation?

Question 2: How does the organisation capture the needs and expectations of external business stakeholders?

Question 3: How does the organisation confirm the needs and expectations with internal and external business stakeholders?

Question 4: How are the promises to internal and external business stakeholders developed?

Question 5: How are the promises to be delivered to internal and business stakeholders?

Question 6: How are organisational systems and structures aligned to promise delivery processes?

Question 7: How are organisational capacity and capability created to sustain the change?

Linking the questions to the emerging themes in Chapters 4 and refined emerging theme statements in Chapter 5 presents an opportunity to refine the theme statements as in Figure 6.1 below.
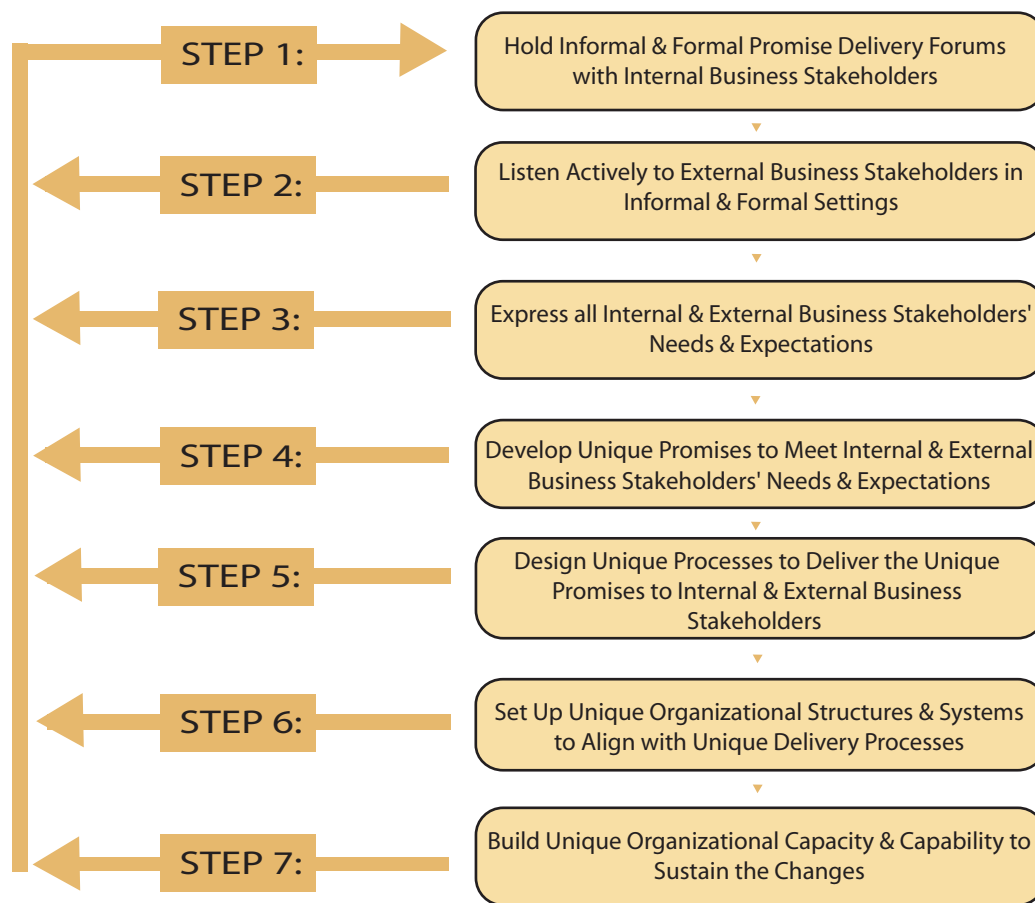
Figure 6.1: Refined Themes

REFINED THEME	ORIGINAL EMERGING THEME STATEMENTS	REFINED THEME STATEMENTS
1. Internal business stakeholders.	Intense collaboration with key stakeholders leads to success of transformation.	Hold informal & formal promise delivery forums with internal business stakeholders.
2. External business stakeholders.	Intense collaboration with key stakeholders leads to success of transformation.	Listen actively to external business stakeholders in informal & formal settings.
3. Needs & expectations.	Organizational transformation revolves around changing stakeholder needs and expectations.	Express all internal & external business stakeholders' needs and expectations.
4. Promises.	Organizational transformation revolves around changing promises to address changing stakeholder needs and expectations.	Develop unique promises to meet internal & external business stakeholders' needs and expectations.
5. Processes.	Organizational transformation revolves around changing processes to deliver changing promises.	Design unique processes to deliver the unique promises to internal & external business stakeholders
6. Structures & systems.	Organizational transformation revolves around changing structures and systems to align with changing processes.	Set up unique organizational structures & systems to align with unique delivery processes.
7. Capacity & capability	Organizational transformation revolves around changing capacity and capability to sustain the momentum of the change.	Build unique organizational capacity & capability to sustain the change.

It would appear an integrated seven-step model

{The Madzivire Transformation (MaTra) Model} has emerged!

6.3   Emerging Model of Organizational Transformation

Figure 6.2: The Madzivire Transformation (MaTra) Model

STEP 1:	Hold Informal & Formal Promise Delivery Forums with Internal Business Stakeholders
STEP 2:	Listen Actively to External Business Stakeholders in Informal & Formal Settings
STEP 3:	Express all Internal & External Business Stakeholders' Needs & Expectations
STEP 4:	Develop Unique Promises to Meet Internal & External Business Stakeholders' Needs & Expectations
STEP 5:	Design Unique Processes to Deliver the Unique Promises to Internal & External Business Stakeholders
STEP 6:	Set Up Unique Organizational Structures & Systems to Align with Unique Delivery Processes
STEP 7:	Build Unique Organizational Capacity & Capability to Sustain the Changes

A discussion of each of the seven steps follows. Relevant case evidence is provided to show how the theory/model is built from the bottom up as suggested by the Eisenhardt (1989) process of building theory from case studies discussed in Chapter 3.

Enfolding literature is used to sharpen the theory/model.

6.3.1 Hold informal and formal promise delivery forums with internal business stakeholders

FINANCE leaders decided to close off all their operations for one day to sensitize internal business stakeholders on the need for a turnaround. All internal business stakeholders came to Harare for the one-day forum. For some internal business stakeholders it was a first time experience to stay in a Harare hotel, raising high expectations and hope. Through this forum, a consistent message about the direction FINANCE had to go was delivered to all internal business stakeholders. Concerns raised were addressed.

The lunch organized provided FINANCE internal business stakeholders an opportunity to informally capture how the organization was going to deliver value internally and externally. From the LEISURE case, one GM used informal sessions similarly.

Before the forum, FINANCE had to flight media advertisements indicating they had to close all offices to map a way forward that would benefit all business stakeholders. This also raised the expectations of external business stakeholders.

The FINANCE experience highlights that engaging staff in an open discussion concerning how their work affects those they serve creates an environment in which change is accepted. In particular, evidence from the 4 cases strongly suggests that customer contact employees are a critical source of information about customers.

Three simple questions that were used in PLEASURE during WAP sessions to provide information for uniqueness were:

- What should the organization stop doing to enable internal business stakeholders serve customers better?

- What should the organization start doing to enable internal business stakeholders serve customers better?

- What should the organization continue doing to enable internal business stakeholders serve customers better?

The information helped PLEASURE appreciate internal business stakeholders' needs and expectations.

Lovelock (1996:107) points out researchers like Parasuraman, Berry & Zeithal 1990; Zeithal, Berry & Parasuraman 1988 "have theorized and found some evidence that open communication between frontline personnel and managers is important for achieving service quality". Further, Lovelock (1996:107) indicates "Schneider & Bowen (1984) argue that firms should use information gathered from contact personnel in making strategic decisions regarding new service development and service modifications".

Bishop (2001:138) suggests such discussions should focus on how a particular work group affects customers in four ways: "why customers consider the company, why they choose the company, why they stay with the company, and why they leave the company". Bishop (2001:138) proceeds to indicate "help your key people explore what the group might do to attract, retain, and grow customers".

Consonant with Bishop's view, during the capacity building in preparation for WAP in PLEASURE, Mbigi said the PLEASURE focus should be on 'order qualifiers', 'order winners' and 'order retainers'.

Since these forums are meant to convey a sense of common purpose to employees, simple language should be used, translated where necessary into vernacular. The forums are an opportunity for sharing deeply held values and beliefs, visions, missions and strategic plans of the organization.

The intention is to position each internal business stakeholder to be personally responsible over understanding who their business stakeholders are. This includes appreciating how their work impacts on the operation of other departments or units.

Heskett, Jones, Loveman, Sasser, Jr., & Schlesinger (1994) say "identifying internal customers requires mapping and communicating characteristics of work flow, organizing periodic cross-departmental meetings between 'customers' and 'servers,' and recognizing good internal service performance".

6.3.2 Listen actively to external business stakeholders in informal and formal settings

There is evidence across the 4 cases that internal business stakeholders listened to external business stakeholders. Other than the formal meetings held by sales and marketing, there was a remarkable shift towards listening to external business stakeholders actively in informal sessions. Some staff pointed out orders were won or lost on golf courses, lunches or casual encounters with potential external business stakeholders.

It is therefore critically important that internal business stakeholders be prepared to provide a unique customer experience with each service encounter. The forums in Step 1 above should lay the necessary ground for internal business stakeholders to actively listen to all external business stakeholders.

Besides collecting evidence informally on the needs and expectations of business stakeholders, formal sessions should be organized to allow business stakeholders an opportunity to provide further evidence.

Three simple questions that may be used to provide information for uniqueness are:

- What should the organization stop doing to serve you as an external business stakeholder better?

- What should the organization start doing to serve you as an external business stakeholder better?

- What should the organization continue doing to serve you as an external stakeholder better?

The information should help organizations appreciate external business stakeholder needs and expectations better.

6.3.3 Express all internal and external stakeholders' needs and expectations

According to the cited 1999-2003 strategy document, FINANCE's "chosen business model demands that focused attention be given to those vision and mission critical support services and facilities support services and facilities which will enable the Bank to meet the expectations of its key stakeholders as identified" in Exhibit 6.1

Exhibit 6.1: Key Expectations of FINANCE Stakeholders

Stakeholder	Key Expectations
Shareholder	• A decent return on their investment through dividends payouts and/or growth in funds in the balance sheet. A 2% per annum real return on capital shall at all times be the minimum target for the manager • That the bank meets the Y2K challenge
Customers	• Efficient service given with appreciation for their business patronage • Security of funds entrusted with the Bank • Y2K challenge • Competitive terms & conditions for their deposits & loans • Stability in the organization • Regular innovations - product & service • Regular contact/communication innovations • Speedy responses to requests
Board of Directors	• Preservation of shareholder interests & expectations • Efficiency in the organization • Effectiveness of management • A stable, well-to-do institution which can be counted among others • Meeting the Y2K challenge • Decent fees for their efforts
Management & Staff	• Competitive rewards for their service • Meeting the Y2K challenge • Stability & necessary continuity in the organization • Job security & career progression • A responsive board of directors
Regulatory Authorities (Reserve Bank of Zimbabwe & Ministry of Finance)	• Stability in the organization • Safety of depositors funds • Efficiency & cost effectiveness in service/product delivery • That the Bank meets its Y2K challenges • Adequate capitalization • Transparency & professionalism in all dealings • Strict compliance with statutes & regulations
Correspondent Banks & Financial markets in general	• Quality balance sheet growth & financial performance • Security of funds • Efficiency & effectiveness in service/product delivery • Stability in organization • Acceptable industry-type transparency in dealings
Government & the General Public	• A fair corporate player in the market in terms of employment, ethics & social responsibility & awareness • A steady contributor to the fiscus in terms of taxes paid (PAYE, Corporate & Withholding Taxes) • Support in terms of general & specific policy initiatives/directives • Compliance with the country's laws
Suppliers of Goods & Services	• Prompt payment for supplies • Sound corporate culture in all dealings • Efficient & effective procurement system

Source: Strategic & Business Plans for the Period 1999 to December 2003

Evidently, FINANCE identified shareholders, customers, board of directors, management and staff, regulatory authorities, correspondent banks and financial markets in general, suppliers of goods and services and the Government and the General Public as its key stakeholders.

Exhibit 6.1 clearly demonstrates that FINANCE managed to crystallize and express internal and external business stakeholders' needs and expectations.

Feedback sessions should always be organized for the two categories of business stakeholders for validation.

These sessions are for expressing the needs and expectations so that internal business stakeholders confirm that ==what was heard is what was said==. Similarly, external business stakeholders have to confirm their needs and expectations as played back by internal business stakeholders. This is critically important as the real needs and expectations have to be addressed in the next Step (promise development). *==Failing to do so often results in delivering what the organisation thinks the business stakeholder wants instead of what the customer will be excited by.==*

The reason for expressing needs and expectations to both internal and external business stakeholders is to energise and excite them about their role in win-win relationships.

The idea is to provide feedback that facilitates the change agenda.

6.3.4 Develop unique promises to meet internal and external business stakeholders' needs and expectations

Paying a lot of attention to needs and expectations permits all business stakeholders become the guides to the organisation. It allows the organisation come up with what internal as well as external business stakeholders value - ==promise delivery.==

I held discussions with a number of people to unpack what 'promise' means to an African. From these discussions, I concluded that to an African, a 'promise' represents 'one's word in the form of a service package that one is committed to deliver to someone else. It is an establishment of the beginning of a spiritual connection which will be the basis of bonding upon delivery'.

The closest description of a promise in marketing literature would be the concepts of 'augmented product', 'extended product' or 'product package' which describe the supplementary elements that add value to manufactured goods (Lovelock 1996).

In developing unique promises, organisations may adopt the following steps as conceptualized by Lovelock (1996:338):

- Determine what actions and reactions customers expect from the firm

- Group these activities into core and supplementary service elements

- Evaluate how well the organisation is performing on each one - if, indeed, management even responds to each of the customer's requirements

- Redesign existing service 'packages' in order to offer customers in each target market segment a product offering and delivery system that meets their expectations for performance and value within the constraints of a price that will allow the provider to obtain a reasonable profit.

FINANCE evidence provides a good example of how to approach unique promise development.

Arguing that segmentation allows for FOCUS and facilitates a better understanding of one's business and its demands, FINANCE came up with '5 market mission critical segments' to concentrate on. These were: corporate customers, public sector segments, individual/personal market segment, non-governmental organisation (NGOs) and embassies segment, and the informal sector market segment.

The segments were further analysed to come up with sub-categories. FINANCE made a clear description of each segment and sub-categories, followed by specific areas of focus and strategic thrust in promise development. A comprehensive statement (with few details missing) of FINANCE promises in the 1999-2003 strategy document is reproduced and reflected in Exhibit 6.2.

Exhibit 6.2: FINANCE Promises to Various Stakeholders (continued on next page)

	PRODUCT/SERVICE	EXISTING (E) / NEW (N)	PRIMARY BENEFITS	TARGET SEGMENTS
(a)	Current Accounts (High Priority)	(E) - Review to broaden range & deepen quality	• Low-cost deposits • Fees	All segments except informal sector segment
(b)	Savings Accounts (High Priority)	(E) - Review to broaden range & deepen quality	• Low-cost deposits	All 5 segments
(c)	Trade & Structured Finance (High Priority)	(E) - Review to broaden range & deepen quality	• Interest • Fees/Commission	Corporates; Government & Parastatal
(d)	Treasury Products (High Priority)	(E) - Review to broaden range & improve quality	• Interest • Forex Gains • Commission • Fees	All 5 segments
(e)	Card Services/ Products (High Priority)	(E) - Review to broaden range & improve quality	• Low-cost deposits • Interest • Fees/Commission	All segments except informal sector segment
(f)	International Banking Products (High Priority)	(E) - Review to broaden range & improve quality	• Low-cost deposits • Interest • Fees/Commission	All segments except informal sector segment
(g)	Relationship Banking (High Priority)	(N) - Introduce	• Stable & reliable source of deposits	All segments except informal sector segment
(h)	Advisory Services (privatizations, mergers & acquisitions etc) (High Priority)	(N) - Introduce	• Fees/Commission	All segments
(i)	Demand Deposits (High Priority)	(E) - Review to improve on quality		All segments
(j)	Loans/Overdrafts (Moderate Priority)	(E) - Review to broaden range & deepen quality	• Low-cost deposits	All 5 segments
(k)	Insurance Products	(N) - Establish	• Fees/Commission	All 5 segments
(l)	Guarantees	(E) - Review to broaden range & deepen quality	• Fees	All 5 segments

Exhibit 6.2: FINANCE Promises to Various Stakeholders (continued from previous page)

	PRODUCT/SERVICE	EXISTING (E) / NEW (N)	PRIMARY BENEFITS	TARGET SEGMENTS
(m)	Safe Custody	(E) - Review to broaden & modernize service	• Fees	All 5 segments
(n)	Telephone/Internet Banking/Bill	(N) - Introduce	• Low-cost deposits • Fees/Commission	All 5 segments except informal sector segment
(o)	Priority Banking	(N) - Introduce	• Low-cost deposits • Fees/Commission	All 5 segments except informal sector segment
(p)	Kiosk & Mobile Banking	(N) - Review existing new & introduce	• Low cost deposits	All 5 segments
(q)	Village Banking	(N) - Introduce	• Low-cost deposits	NGO's, Individual & Informal Sector segments
(r)	Time Deposits	(E) - Review to improve quality		All 5 segments
(s)	NCD's	(E) - Review to introduce		All 5 segments except informal sector segment

Source: Strategic & Business Plans for the Period 1999 to December 2003

Unique promises have to be developed for internal business stakeholders. These should focus on what the organisation has to do in order 'to most effectively attract, develop and retain a diverse group of the best and brightest human talent in the marketplace' (Hesselbein, Goldsmith & Beckhard 1997:200). More importantly, the promises should clearly reflect the capacity and capability creation provisions to sustain the changes around the seven steps of the model.

The challenge for organisations is to continue improving promises, including converting supplementary elements into core products.

The promises to internal and external business stakeholders should be tested for uniqueness with selected internal as well as external business stakeholders respectively.

6.3.5 Design unique processes to deliver the unique promises to internal and external business stakeholders

In order to deliver the unique promises developed in Step 4, there is need to map out unique processes for such delivery.

Lovelock (1996:49-50) identifies four types of core service processes:

- *People processing* takes place when customers seek some service in which the process consists of tangible actions directed at their physical person and therefore requires their physical presence.

- *Possession processing* occurs when customers ask a service organisation to provide tangible actions not to themselves but rather to some physical possession. In this instance, customers need not themselves be involved throughout the service delivery, but the item in question must.

- *Mental stimulus processing* embraces a group of services that consist of intangible actions directed at customers' minds and thus require their mental (but not necessarily physical) participation throughout service delivery. Such services can be delivered at arms length through electronic channels.

- *Information processing* consists of intangible actions to customers' possessions (or to their intangible assets). Customers can, in theory, deal with the service provider almost entirely at arm's length.

These four types reflect that customers (be they internal or external) are involved, though in different degrees, in the service production process.

Lovelock (1996:64) provides a simple but useful guideline that may be adopted under Step 5 for flowcharting the customer (internal/external) experience:

- Define the purpose of the flowchart clearly: What do you wish to learn (and why) about what types of service, involving what sorts of customers and under what types of usage conditions?

- Compile a list of the activities that constitute the experience of relevant customers. Initially, keep these activities aggregated.

- Chart each step in the customer's experience in the sequence in which it is normally encountered (alternative charts may be needed if sharply different sequences are encountered. - they may be evidence of segments with differing needs or of alternative versions of the service).

- For every front-stage activity, chart backstage supporting activities. (This task is of particular value in examining service quality problems and in developing internal marketing programs designed to reach backstage personnel).

- Validate your description - solicit inputs from customers and be sure to involve relevant service personnel. (Each may have his/her understanding of the process - an open discussion may help to achieve consensus).

- Supplement the flowchart by a brief narrative describing the activities and their interrelationships. Be sure to identify the different players clearly.

Engaging internal and external customers affords the organisation opportunities to hear out complaints concerning problems with any part of the process. Such problems should be taken as clues on areas requiring further improvements.

6.3.6 Set up unique organisational structures and systems to align with unique delivery processes

Each of the 4 cases had structures and systems set up to support the change efforts. FINANCE explicitly stated that the structures were driven by customer needs and expectations as reflected in Chapter 4.

The argument in this MaTra model is that customer needs and expectations should be the basis of promise development. Delivery processes should naturally follow. It is the delivery processes that should determine the structures and systems.

Unique organisational structures and systems set up to sustain change efforts should be relevant and dynamic. All four cases provide ample evidence that there was a desire to realign the structures and systems to delivery process changes.

An organisation capable of delivery in a changing environment should be a flattened and flexible organisation in which effectiveness and speed are essential elements. What is required is the ability to give employees a sense of ownership of entire processes to inspire them to want to improve service levels and deliver the finest service the customer is looking for.

Byrne (1993), in Lovelock 1996:573-574, suggests that "… the trend is toward flatter organisations in which managing across has become more critical than managing up and down in a top heavy hierarchy". He asserts "Forget the pyramid. Smash the hierarchy, break the company into key processes, and create teams from different departments to run them".

Organisational theorists have attempted to replace the vertical structure. Byrne (1993), in Lovelock 1996:581, aptly summarized some of these:

> Some have been as wild as the shamrock image promoted by Charles Handy, a lecturer at the London Business School. Its three leaves symbolize the joining forces of core employees, external contractors, and part-time staffers. James Brian Quinn, a Dartmouth B-school prof, thought up the starburst to reflect the company that splits off units like shooting stars.

> But these experimental designs are really just metaphors for the 21st century corporation, not pragmatic structures that any company has actually adopted. And, for every upside down pyramid, you'll still find thousands of conventional charts.

The approach that is prescribed in this step of the MaTra model is a modification of what Byrne (1993), in Lovelock 1996:578, suggests on how to create a horizontal organisation, Exhibit 6.3.

Exhibit 6.3: How to Create a Horizontal Organisation


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DEFINE core processes,Focusing  →  Organize around processes,NOT  →  Eliminate all activities that do
on what is essential to satisfy     functions. Each process should    not add value to
stakeholders                        link related tasks to yield a      stakeholders
                                    promise to a stakeholder
      ↑                                                                      ↓
Revamp training,                                                       Cut function &
appraisal, pay, &                                                     staff
budgetary                                                             departments to a
systems to                                                            minimum,
support the new                                                       preserving key
structure                                                             expertise
      ↑                                                                      ↓
Empower employees with  ←  Set specific performance  ←  Create multi-disciplinary teams     Appoint a
authority & information to   objectives for each process   to run                           manager or
achieve objectives                                         each process                     team as the
                                                                                            "owner" of each
                                                                                            core process
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Source: Byrne (1993), in Lovelock 1996:578

6.3.7 Build unique organisational capacity and capability to sustain the change

As mentioned earlier, a key feature of building unique organisational capacity and capability should be the ability to attract, develop and retain competent staff.

FINANCE and CROP, for example, managed to sustain their change efforts through this strategy. On the other hand, PLEASURE struggled to maintain its growth after the death of PL1 and mass resignations at senior levels. In the late 1990's, both PLEASURE and LEISURE were perceived as 'uncaring' resulting in some of their key leaders becoming leaders of their former competitors.

A good summary on the intricacies around building a highly loyal customer base to inform the sustenance of the momentum of change is by Reichheld (1993), in Lovelock 1996:245. He writes:

> The better economics mean the company can pay workers better, which sets off a whole chain of events. Increased pay boosts employee morale and commitment; as employees stay longer, their productivity rises and training costs fall; employees' overall job satisfaction, combined with their knowledge and experience, leads to better service to customers; customers are then more inclined to stay loyal to the company; and as the best customers and employees become part of the loyalty-based system, competitors are inevitably left to survive with less desirable customers and less talented employees.

Building organisational capacity and capability rests on the ability to harness the different energies of employees. Although Senge (1999) describes change respondents under 'true believers' and 'nonbelievers', the cross case analysis has surfaced 3 categories: 'risktakers', 'undertakers' and 'caretakers'.

However, Bishop (2001) provides a sharper description that is prescribed for Step 7 because of its simplicity and clarity. (Bishop 2001:xv) suggests:

> To bring about effective change, you must help your group or organisation through the following steps:
> •   Assess the personal change capacity of your key people
> •   Create development plans in line with personal change capacity assessments
> •   Determine organisational change capacity and its impact on personal change capacity.

Bishop (2001:xv-xviii) indicates there are four individual assessment categories:

A-players
These people not only respond positively to change but they drive it. They may be relative newcomers to the organisations or veterans, junior or top executives, but what unites them is the way in which they greet change as a friend rather than as an enemy.

B-players
This label describes individuals who are generally receptive to change but lack the perspective, enthusiasm, and change leadership abilities of A-players or are only willing to embrace certain types of change. … B-players often have excellent performance records and hold key jobs in the organisation, but only perform well if the conditions are right.

C-players
In a sense, these are the silent majority in many organisations. Frequently technically proficient, the C-player's competence often gets confused with change responsiveness.

D-players
These are the change resistors of the first rank. … Like C-players, they may be technically competent. But even in these areas, they are rigid and conservative … Their resistance to change may be active as well as passive. They may sabotage a new process or policy through their actions or in their conversations with peers or direct reports.

Clearly, the 'risktakers' may be classified as A-players. Broadly, B-players and some C-players would constitute 'caretakers' and other C-players and D-players would be the 'undertakers'. It appears Bishop's classifications are neater and most appropriate for use under this Step.

Taking the general descriptions of A, B, C, and D-players, the organisation should engage employees in coming up with criteria to assess individual capacity for change and agree a development framework for each individual.

As Ghoshal & Barlett (1997) aptly put it, there is need to create and leverage knowledge from individual expertise to organisational learning for change to be sustained. Each employee has to take personal responsibility for his/her performance and undertake to engage in the continuous process of learning that is necessary to support such performance amid constant change. The role of top leaders will have to be supporting employees' entrepreneurial initiatives and ensuring their employability.

Evidently, FINANCE took advantage of A-players (risktakers) in setting up the various teams to lead the turnaround and had A-players in key positions to stimulate organisational learning.

For the 1999-2003 strategic planning process, FINANCE used scenario planning.

FINANCE engaged the services of local Zimbabwean experts who specialize in the collection, research, extrapolation, projection, interpretation and dissemination of economic data about Zimbabwe and the region.

These experts provided views and assumptions clustered under two scenarios - the Base Case and the Worst Case scenarios.

The Base Case "assumes a somewhat less optimistic outlook than ZIMPREST which forecasts growth of around 6% per annum" (1999-2003 Strategy Document).

The Worst Case scenario "makes weaker assumptions than the Base Case as far as the performance of the international economy is concerned and also assumes a significantly less favourable domestic environment" (1999-2003 Strategy Document).

On the basis of expert opinion, FINANCE proceeded to use the Base Case scenario in the 1999-2003 strategy planning process.

Clearly, organisations that transform need the help of external experts/consultants who have great ability in contextualising issues. External experts/consultants were available across the four cases.

GE got help from Tichy & Sherman, Mount Carmel from Secretan, SAPO from Mbigi. Where individuals in the organisation have the competence to build capability, the individuals have to lead the transformation. This was the case for EHTE where Mbigi provided the leadership as an internal person.

The intention should always be the downloading of capacity and capability to internal change facilitators to sustain the momentum after the departure of the external partners.

Arguing that continual transformation demands a transformable infrastructure, Ghoshal & Bartlett (1997:77) call for the continuous reinvention of human resources saying:

> Most important, a transformable infrastructure needs to include the kind of human resources management support, and other central services, that the business units need to bring about lasting behavioral change.
> …
> Motorola Semiconductor has redefined the role of the human resource professional - from hiring and firing to partnering with the business units and facilitating breakthrough change.

6.4 The Common Thread - Collaboration

Across the 4 cases, for those change efforts that succeeded, there was strong evidence of consensus building amongst stakeholders - signaling presence of collaboration. This necessitated a search for an African definition of collaboration

The simplistic definition of collaboration is 'working together'. From an African perspective, informal circles are more powerful in fostering collaboration than formal circles. A turn to tribal leadership was revealing.

Boon (1996:46) has this to say about tribal leadership:

Traditional African leadership includes several features, some of which are indicated   below:

- The chief personifies the unity of the tribe. He must 'live' the values of his community and be an exemplary model to his people.

- The chief is not an autocrat, and must rely on councilors representing the people to assist him.

- The chief must be guided by consensus. If he is not, the people will ignore his decision or his 'law'.

- The people must always be strongly represented and the entire (adult) community should attend court or 'hearings'.

- The people have a responsibility to each other, and collectively, to ensure the laws (values) are upheld.

- Because of the collective responsibility, everyone has the right to question in an open court.

The concept of openness is an important value, recognizing that retribution is not possible for something said in a correct and open 'court' forum.

Having gone through the evidence, one research assistant gave some insights from her own experience useful for understanding an African's view of collaboration:

Collaboration involves working together towards a common objective. It involves two or more people cooperating to produce the same end product. It implies that no member of the group exercises command over the others, hence that there is equality in their relationship.

At village level, we are talking of the headman in charge of mobilizing the people to work together, whether it be harvesting, tilling, building schools or clinics, and conflict resolving. Together with family heads, the headman could call for a day in a week to solve problems and to work together as a village, sharing ideas for development. Every family has to have a representative to make sure every family is involved in whatever is done in the village.

Consensus is reached through discussions and sharing ideas. When decisions are made every family or person has to comply. There is a protocol of disciplinary measures if a person or family has not adhered to the decision made.

The extended family plays a very important part when events like weddings, marriage, death and sickness strike a family. Each family member plays his/her role. For example, the aunt (tete) plays a major role when there is a marriage in the family. A father (baba) plays a major role as breadwinner and forges ahead with the day to day well being of the family. By consultation and consensus, the family is run by a cultural urge to cooperate, plan and protect the family.

In an African set up, there is no difference between my sister's children and mine. The same applies to me and the children to my father's brother.

Collaboration entails a lot of caring, trust and sense of belonging. Collaboration is more felt, experienced, than defined.

From the above African cultural perspectives, I argue that collaboration *is demonstrated, not defined, through positive contribution towards a common good resulting in the coexistence of independence and interdependence and spiritual bonding. There is a high sense of belonging, of community. It is not the size of the contribution that matters BUT the spirit behind the contribution. One takes pride in having participated in whatever positive form. There is no expectation of a return favour. The benefit accruing is for the community.*

The underpinning philosophy is Ubuntu - 'I am because we are'.

Boon (1996:31-32) aptly summarises the key elements of the philosophy of the Abantu people saying:

> The heritage of the philosophy that comes to us through our traditional African roots is ubuntu: morality, humanness, compassion, care, understanding and empathy. …

> It is believed the group is as important as the individual, and a person's most effective behaviour is in the group. All efforts working towards this common good are lauded and encouraged, as are all acts of kindness, compassion and care, and the great need for human dignity, self-respect and integrity.

6.5 Refining Terms Used to Construct the Emerging MaTra Model

The terms used to construct the emerging MaTra model were tested out through repeat discussions with selected employees in PLEASURE, TEST 1 and TEST 2. The suggestions from the selected employees were supported by the 2 research assistants.

The term **'staff'** was considered more appealing and uplifting as compared to 'internal customers' or 'internal stakeholders' or 'employees'. Theme 1 was therefore refined to reflect 'staff'. The staff suggested **'business stakeholders'** replace 'external business stakeholders' in Theme 2 as the later gave an impression of separate existence. There was agreement that 'stakeholder' be inclusive of 'Staff and business **'stakeholders'** in Theme 3.

Since the study is about 'organisational transformation' **the use of the word 'organisational' in Themes 6 and 7 was taken as adding no value.**

The term **'distinctive'** was preferred over 'unique' as the former was considered to embrace uniqueness with the added element of dynamism. In this regard **'distinctive'** is **'being unique and always one step ahead'.**

The words **'build capacity and capability'** were considered threatening as they implied the capacity and capability had not been in place. The term **'enhancement'** had the **'Ubuntu caring'** with it so said the research assistants.

The refinements are reflected in the sections below.

6.6 Towards an Elaborated Model of Organisational Transformation

Turning first to enfolding literature reveals Mbigi (2000:145) developed another model, the Mbigi African Transformation model, to the right of Exhibit 6.4, with a cross-cutting theme of 'cooperation' - again pointing towards 'collaboration', and 'competitiveness'. In this regard, Mbigi is tapping into the power of organisational paradoxes as suggested by Thurbin (1998).

The Mbigi African Transformation model focuses on developing and transforming eight organisational areas: people, spirit, best operating practices, core competencies, policies, products, services, and procedures. Of interest is that this model appears to be multi-disciplinary and places the highest priority area as people, with spirit next in line.

It would appear, by having people and spirit close together at the top of this model, Mbigi is stressing the inseparability of person and soul. This is also Secretan's conceptualization of the connection between person and soul.
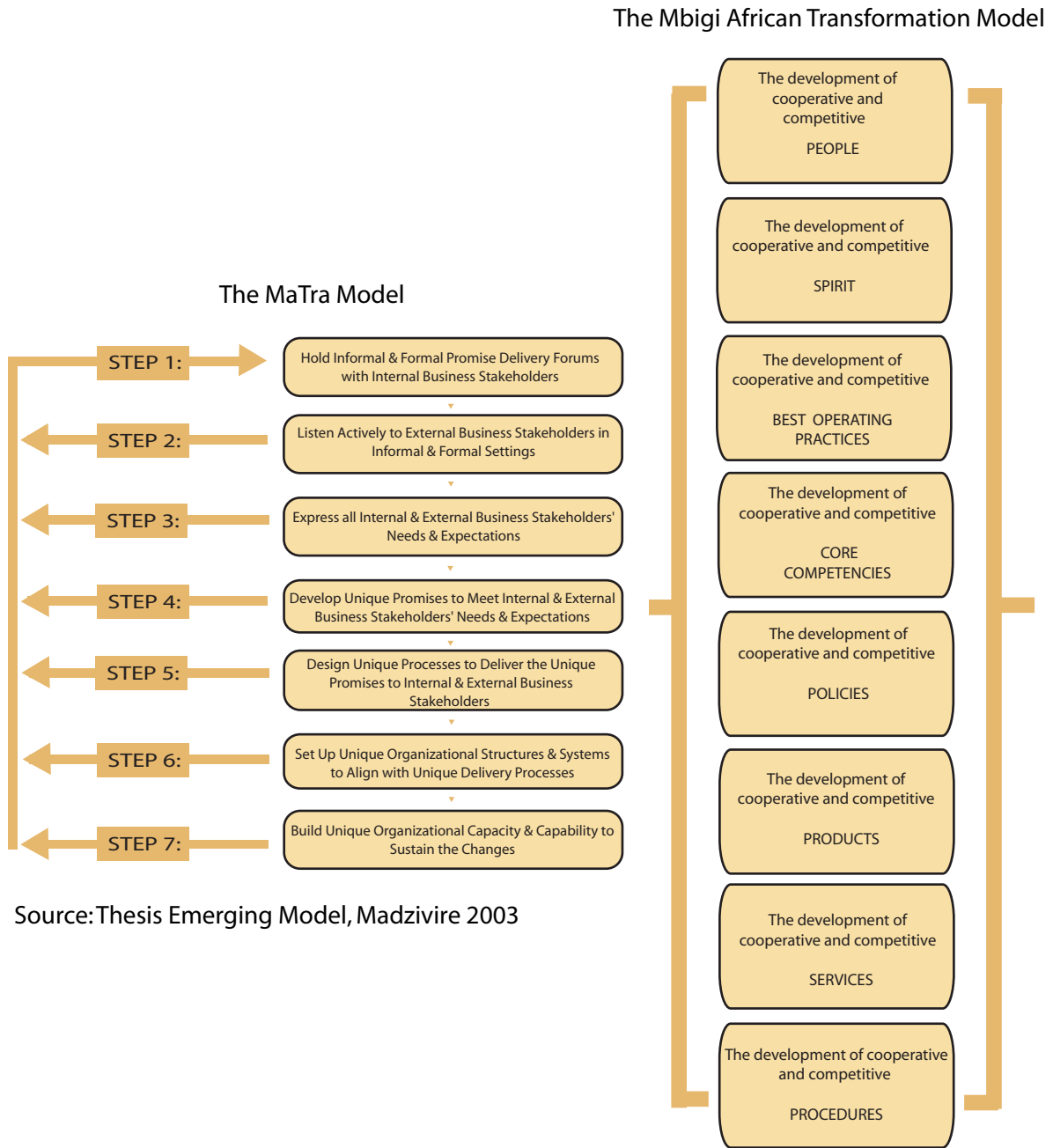
On the one hand from African oral tradition, as reflected in Chapter 2, the spirit is the total being which includes the depth of the soul. On the other hand, Secretan (1997:246) conceives the soul as 'an entity that is regarded as being immortal or spiritual part of the person; the life force; the vital essence of a human; innermost being or nature, nobleness of spirit or its desired expression'.

Given these viewpoints, the African Transformation model should have had the 'spirit' at the top, followed by 'people'. However, features of the African Transformation model confirm the need to infuse Mbigi's and Secretan's spirit/soul-based ideas into the MaTra model to elaborate it.

Mbigi (2000) suggests that the 'African genius in management lies in people management'. He proposes that the model be used by human resources practitioners to meet the challenges created by the global competitive environment.

Of interest is that Mbigi (1997) calls this model the 'Ubuntu Inclusive Development Model' whereas Mbigi (2000) renames it the 'African Transformation Model'. This is a reflection of a futurist who continues to refine ideas to relate to the situation under discussion. It also implies that this model may be further developed.

Exhibit 6.4: Juxtaposition of The MaTra Model and The Mbigi African Transformation Model

The Mbigi African Transformation Model

The MaTra Model

STEP 1:	Hold Informal & Formal Promise Delivery Forums with Internal Business Stakeholders
STEP 2:	Listen Actively to External Business Stakeholders in Informal & Formal Settings
STEP 3:	Express all Internal & External Business Stakeholders' Needs & Expectations
STEP 4:	Develop Unique Promises to Meet Internal & External Business Stakeholders' Needs & Expectations
STEP 5:	Design Unique Processes to Deliver the Unique Promises to Internal & External Business Stakeholders
STEP 6:	Set Up Unique Organizational Structures & Systems to Align with Unique Delivery Processes
STEP 7:	Build Unique Organizational Capacity & Capability to Sustain the Changes

Source: Thesis Emerging Model, Madzivire 2003

The development of cooperative and competitive PEOPLE

The development of cooperative and competitive SPIRIT

The development of cooperative and competitive BEST OPERATING PRACTICES

The development of cooperative and competitive CORE COMPETENCIES

The development of cooperative and competitive POLICIES

The development of cooperative and competitive PRODUCTS

The development of cooperative and competitive SERVICES

The development of cooperative and competitive PROCEDURES

Source: Mbigi 2000:145

Juxtaposing the emerging MaTra model and the Mbigi African Transformation model to compare and contrast reveals the following:

- The MaTra model Steps 1 through 7 are meant to develop 'cooperative and competitive people' as well as 'cooperative and competitive spirits'. All the Steps should also aim for 'the development of cooperative and competitive best operating practices'.

- Evidently Step 4, covering 'unique promises', links with 'the development of cooperative and competitive products' and 'the development of cooperative and competitive services'.

- Step 5, 'unique delivery processes', matches with 'the development of cooperative and competitive procedures'

- Part of Step 6, 'unique systems' would cover 'the development of cooperative and competitive policies' and 'the development of cooperative and competitive procedures'.

- Step 7, 'unique organisational capacity and capability' matches closely with 'the development of cooperative and competitive core competencies'.

- The Mbigi African Transformation model is silent about Step 3, 'stakeholders needs and expectations' and part of Step 6, 'unique organisational structures'.

- The internal and external business stakeholders in Steps 1 and 2 of necessity are to be developed as 'cooperative and competitive people' as well as 'cooperative and competitive spirits'. Hence, Steps 1 and 2 may be linked back to Step 7.

- The MaTra model has seven steps whereas Mbigi's African Transformation model has eight areas to focus on.

- 'Development' featuring across the eight areas in the Mbigi African Transformation model reinforces that the organisation has to build capacity and capability to perform any/all of the seven steps of the emerging model

The similarities and differences between the seven theme areas under the MaTra model and the eight from the African Transformation model presents an opportunity to elaborate the themes on which the MaTra model has been constructed. The outcome is Figure 6.3.
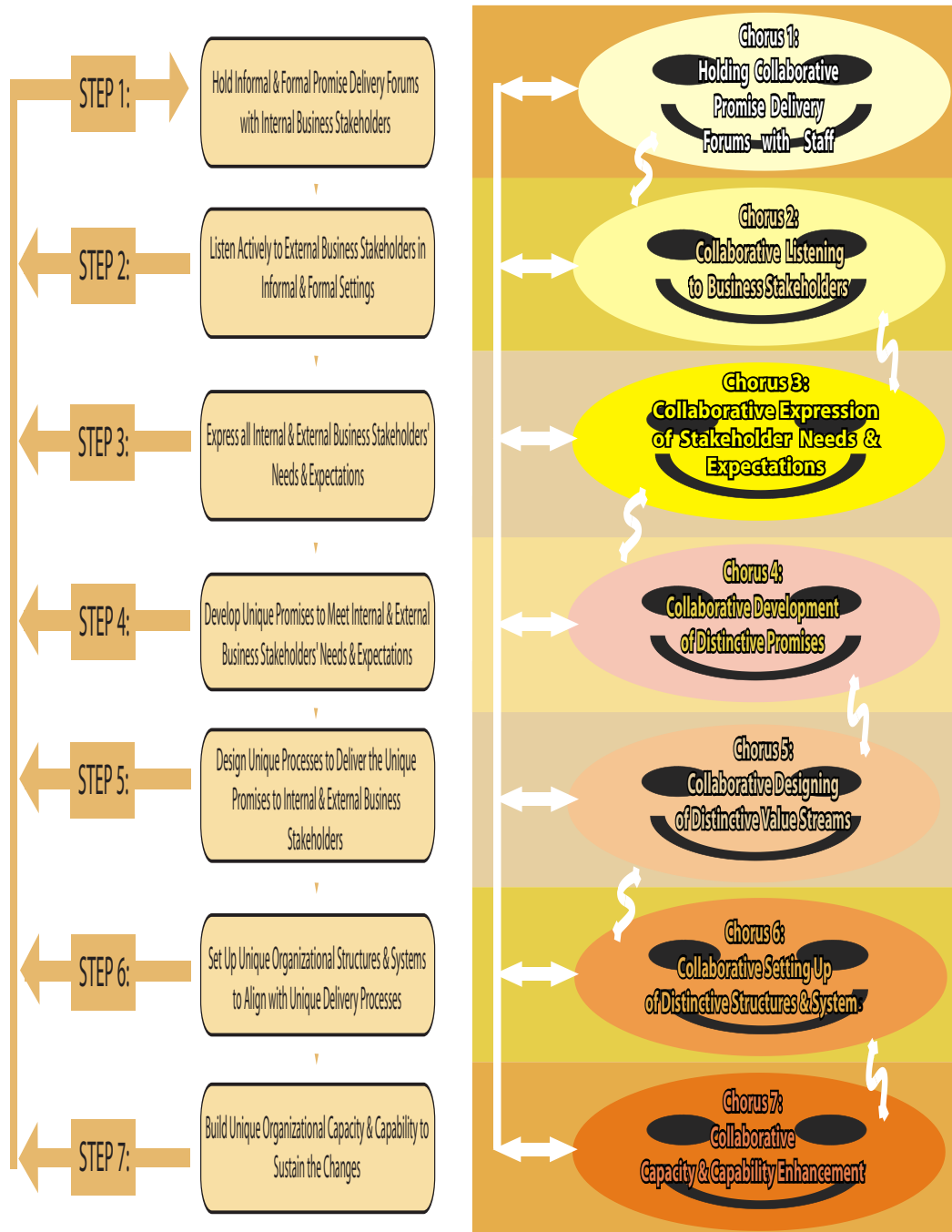
Figure 6.3: Elaborated Themes

ELABORATED THEME	REFINED THEME STATEMENTS	ELABORATED THEME STATEMENTS
1. Staff.	Hold informal & formal promise delivery forums with internal business stakeholders.	Holding collaborative promise delivery forums with staff.
2. Business stakeholders.	Listen actively to external business stakeholders in informal & formal settings.	Collaborative listening to business stakeholders.
3. Needs & expectations.	Express all internal & external stakeholders' needs and expectations.	Collaborative expression of stakeholder needs and expectations.
4. Promises.	Develop unique promises to meet all internal & external business stakeholders' needs & expectations.	Collaborative development of distinctive promises.
5. Processes.	Design unique processes to deliver the unique promises to internal & external business stakeholders	Collaborative designing of distinctive Value Streams.
6. Structures & systems.	Set up unique organizational structures & systems to align with unique delivery processes.	Collaborative setting up of distinctive structures & systems.
7. Capacity & capability	Build unique organizational capacity & capability to sustain the changes.	Collaborative capacity & capability enhancement.

Since 'collaboration' has emerged as a common thread across the four cases under study 'collaboration' is going to be integrated into the elaborated model. This also covers Mbigi's (2000:145) recurring theme of 'cooperation and competition' which confirms the need for collaboration in organisations that transform in Africa.

Ahah!!! The MaTra Model has been transformed into an elaborated model:

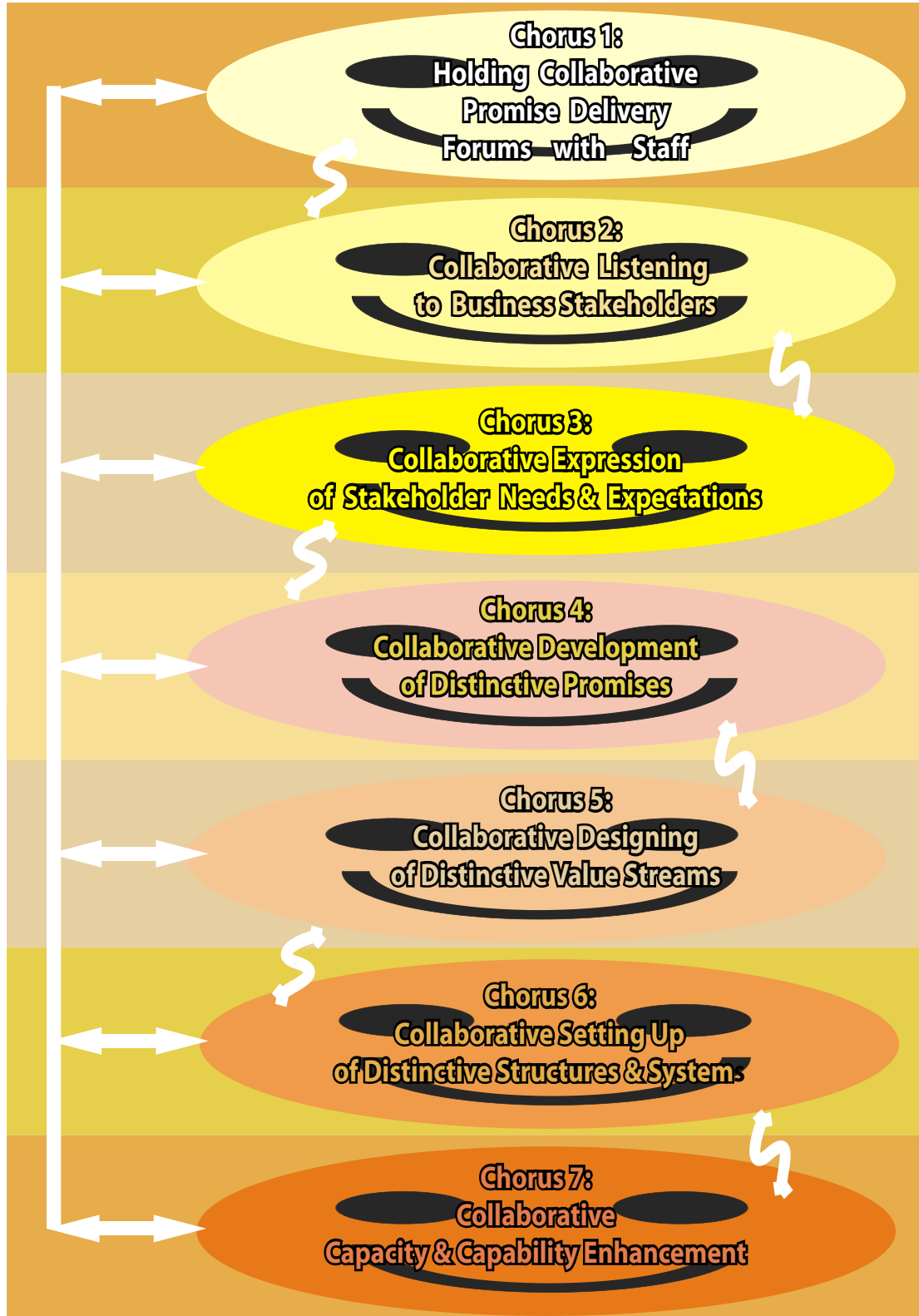**The Madzivire Collaborative Transformation (MaCoTra) Model**

Figure 6.4: From   MaTra   to   MaCoTra

STEP 1:	Hold Informal & Formal Promise Delivery Forums with Internal Business Stakeholders	**Chorus 1:** Holding Collaborative Promise Delivery Forums with Staff
STEP 2:	Listen Actively to External Business Stakeholders in Informal & Formal Settings	**Chorus 2:** Collaborative Listening to Business Stakeholders
STEP 3:	Express all Internal & External Business Stakeholders' Needs & Expectations	**Chorus 3:** Collaborative Expression of Stakeholder Needs & Expectations
STEP 4:	Develop Unique Promises to Meet Internal & External Business Stakeholders' Needs & Expectations	**Chorus 4:** Collaborative Development of Distinctive Promises
STEP 5:	Design Unique Processes to Deliver the Unique Promises to Internal & External Business Stakeholders	**Chorus 5:** Collaborative Designing of Distinctive Value Streams
STEP 6:	Set Up Unique Organizational Structures & Systems to Align with Unique Delivery Processes	**Chorus 6:** Collaborative Setting Up of Distinctive Structures & System.
STEP 7:	Build Unique Organizational Capacity & Capability to Sustain the Changes	**Chorus 7:** Collaborative Capacity & Capability Enhancement

6.6 The Elaborated Model of Organisational Transformation

Figure 6.5: The Madzivire Collaborative Transformation (MaCoTra) Model

Chorus 1:
Holding Collaborative
Promise Delivery
Forums with Staff

Chorus 2:
Collaborative Listening
to Business Stakeholders

Chorus 3:
Collaborative Expression
of Stakeholder Needs & Expectations

Chorus 4:
Collaborative Development
of Distinctive Promises

Chorus 5:
Collaborative Designing
of Distinctive Value Streams

Chorus 6:
Collaborative Setting Up
of Distinctive Structures & Systems

Chorus 7:
Collaborative
Capacity & Capability Enhancement

6.6.1 MaCoTra Differentiating Features

Mbigi (1997) and Boon (1996) agree on the significance of dancing and singing at work. The EHTE and SAPO cases in Chapter 2 highlighted how Mbigi took advantage of these two elements to institutionalize change in EHTE and SAPO. Boon's (1996:72) words are relevant for the elaborated MaCoTra model:

> Good teams mostly express their unity in a physical and demonstrative way. In many instances, this expression is through dance and song. Singing gives the team an opportunity to share in the expression of a single vision, emotion or belief, both verbally and passionately. …
>
> Autocrats very seldom create excellent teams. People usually work very hard and do what they should out of fear of such leaders. In teams led by autocrats there will be a corresponding lack of trust because of that fear. …
>
> Team spirit will very seldom be evident in such groups. There certainly will not be spontaneous singing, or sharing of pride in the organisation. Singing may occur, but this will most probably be in rebellion against the autocratic leaders.

This assessment confirms that spiritual bonding in collaborative set ups is achieved through song and dance. The metaphor of a 'chorus' is therefore adopted for the elaborated MaCoTra model. This is more telling to an African than 'steps'. Steps suggest a linear relationship consistent with what Boon discusses under the Western view of time.

Boon (1996:17) argues:

> The Western view of time is diametrically opposed to the African view. … The general Western experience and view of time is based on a linear concept of time. Time is infinite. For our purposes, let's simply say it started 'in year dot' and it progresses through the present, into a distant and potentially infinite future. …
>
> The African takes a circular view of time, in which the past is more important than the future. The African circles into the past, then the future, and back through the present to the past.

The elaborated MaCoTra model, therefore links the choruses in both linear and non-linear fashions reflecting the integration of Western and African views. This is consonant with how Clem Sunter of Anglo American Corporation of South Africa Limited comments on Boon's (1996) contribution:

> He (Boon) writes: 'We are both African and Western and sometimes bits of both. More importantly we have life philosophies, uniquely our own on which our views of the world are founded'. Those words really sum up how a winning company here should go about business. It will search for and arrive at the best combination of management principles to mix with the cultural beliefs and backgrounds of its employees.

Source: Boon 1996

Both the emerging MaTra and the elaborated MaCoTra models are representative of such integration.

The MaCoTra model encapsulates the transformation song composed of seven choruses for the organisational choir.

Each chorus may be sung on its own and also in combination with any one or more of the other choruses. This means an organisation may transform as a result of work on one or more choruses.

Further, from a systems perspective, each chorus is a subsystem of suprasystem - the total MaCoTra model. In this regard, whatever is done to any one of the chorus subsystems affects the other subsystems and has an effect on the suprasystem.

What the MaCoTra model advocates is for each organisational member to go beyond singing individual choruses. MaCoTra invites all organisational members to synchronize the choruses resulting in a melodious overarching organisational choir - the transformation itself.

The MaCoTra colour coding stresses that diversity has to be celebrated as part of organisational transformation.

What a way to celebrate it through any combination of the seven MaCoTra song choruses, and dance!

6.7 Explaining the Seven MaCoTra Model Choruses

Each of the seven MaCoTra model choruses rides on the detail that has been given under the seven MaTra steps. Only the relevant refinements will be explained below to avoid repeating what has been covered under the MaTra model.

A key feature of African hospitality is the sharing of food and drinks. Therefore, engaging in each chorus should be punctuated by the sharing of food and drinks. Doing this sanctions the collaboration.

6.7.1 Holding collaborative promise delivery forums with staff

A practical framework (Figure 6.6) that may be used is based on the assumption that change happens one person at a time. This implies personal leadership.

Each member of staff has to clarify personal values from an African perspective. Typical African values already highlighted under the Ubuntu philosophy are: morality, humanness, compassion, care, understanding and empathy.

Figure 6.6: Changing Business in the World One Person at a Time

World

Africa

Nation

Company

Work Unit

Work Team

SELF
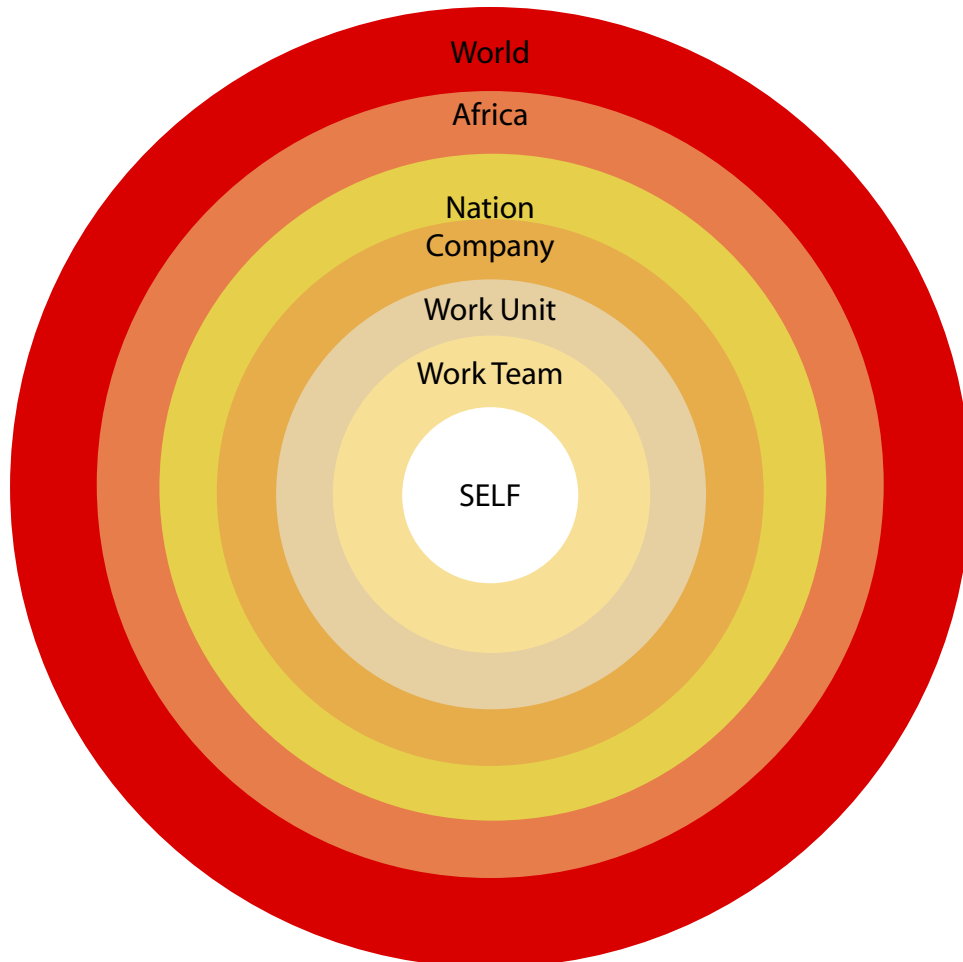
The values then form the basis of personal visioning.

Each staff member should share their personal values and personal vision with the forum. This exercise helped staff in TEST 1 and TEST 2 appreciate who they were at a personal level and prepared them for collaboration at work team level.

Work teams then align on a common set of team values from all the individual values. This will give an indication of the start of alignment, collaboration and team visioning.

The process is repeated at the unit level and the organisational level and so on as reflected in Figure 6.5. The intention is to sensitise each person so that they realize change at a personal level impacts on each of the subsystems and the suprasystem - the world. This reinforces the notion of independence and interdependence that fosters further collaboration.

Staff need to create songs linking values to visions and strategies to embed a culture of collective learning. PLEASURE, TEST 1 and TEST 2 staff participated in these exercises as part of theory testing and confirmed this process definitely enhances living the values and visions.

Through the collaborative forums, there is a shift from sharing organisational values and an organisational vision to sharing values and visions. This lays a solid platform for exploring the burning business issues as fear and anxiety will have been eliminated through the process. Staff are prepared to participate in the next choruses as sacred contributors

What is critically important is that staff be given an opportunity to indicate what they would wish to be given by the company for them to call it the best company. Each time a competitor catches up in terms of compensation packages, the company draws one item from the wish list and creates more value in its compensation system. The wish list affords the company an opportunity to be distinctive by being one step ahead of competitors in terms of people care.

6.7.2 Collaborative listening to business stakeholders

Collaborative listening to staff in forums leaves staff feeling they no longer work for a company but belong to the company. With this new mindset, they go out of their way to serve each other and serve the business stakeholders. Informal and formal settings should

be used to listen to the business stakeholders using an adapted version of what the staff experienced in Chorus 1.

The challenge is to allow each business stakeholder talk about their business. The business stakeholder should give detail regarding issues such as their conversion processes, nature of competition in their business, how the competition in their business might change, and promises the company could make to enhance value in the business stakeholder's type of business.

Understanding the business of the stakeholders places the company in a position to provide promises that create win-win and lasting relationships. This also reinforces the notion of independence and interdependence that fosters further collaboration with business stakeholders.

Staff need to create songs linking company values, visions and strategies to the business stakeholders' kind of work to embed a culture of collective learning with the business stakeholders. PLEASURE staff participated in these exercises as part of theory testing. The business stakeholders the staff entertained in the restaurants indicated that they loved being served not only meals but also through song and dance.

Through collaborative listening, business stakeholders get emotionally and spiritually attached to the organisation that serves. Business stakeholders are prepared to participate in the next choruses as sacred contributors to the transformation of the organisation.

What is critically important is that business stakeholders be given an opportunity to indicate what they would wish to be provided by the company for them to call it the best company. Each time a competitor catches up in terms of what they promise the business stakeholder, the company draws one item from the wish list and creates more

value in packaging the new promise. The wish list affords the company an opportunity to be distinctive by being one step ahead of competitors in terms of business stakeholder (people) care.

6.7.3 Collaborative expression of all stakeholder needs and expectations

It is important to allow staff time to express what they heard from staff in Chorus1 and from business stakeholders in Chorus 2. The confirmation sessions should be like in Step 3 with added elements of singing and dancing to celebrate understanding of staff needs and expectations as well as business stakeholder needs and expectations.

Staff representatives should hear out the expression of the needs and expectations. Similarly, segment representatives of business stakeholders should be called back to experience the Chorus developed around their needs and expectations.

In this Chorus, a commitment to engage staff in the development of staff promises is made. Similar commitments have to be made with the segment representatives of business stakeholders.

6.7.4 Collaborative development of distinctive promises

As highlighted under 6.7.1 and 6.7.2, the idea of distinctiveness in promises revolves around being one step ahead of competitors through the use of one aspect from the staff/ business stakeholder wish list each time a competitor catches up.

Staff need to participate fully in translating needs and expectations from staff into distinctive promises to staff. The same would apply for the development of business stakeholder promises.

Each promise should also have an accompanying song highlighting its distinctiveness.

It is critically important that selected staff and business stakeholders validate the distinctiveness of the respective promises. Staff and business stakeholders always relate to what they helped create.

6.7.5 Collaborative designing of distinctive value streams

Chorus 5 elaborates the MaTra model Step 5 by elevating flowcharts into blueprints and processes into value streams. In Step 5, I talked of flowcharting the promise delivery process to understand the nature of the customer's experience. Lovelock (1995:331) argues:

> To design a service requires a more sophisticated version of flowcharting known as 'blueprinting', which considers every activity needed to create and deliver a service, as well as specifying the linkages between these activities. Services can be reverse engineered by documenting existing service procedures in flowchart form.

Lovelock (1995:331) proceeds to indicate:

> A blueprint of an existing service may also suggest new product development opportunities, resulting from reconfiguring delivery systems, adding or deleting specific elements, and repositioning the resulting service product to appeal to other segments.

Martin's (1995:104) conceptualization of a value stream is "an end to end collection of activities that creates a result for a 'customer', who may be the ultimate customer or an internal 'end user' of the value stream. The value stream has a clear goal: to satisfy or better to delight the customer".

My suggestion is that organisations that transform need to go beyond flowcharting processes to blueprinting value streams.

A typical example of a value stream would be order fulfillment. In this case, the order is input and the result is the delivery of the ordered good. There is a collection of activities (one being order entry) that constitute order fulfillment.

From this example, it is evident that if one has to clarify what a value stream is, its start and finish activities can be named. In the example of order fulfillment the start is 'customer order' and the finish is 'delivery'. The 'delivery' in a 'win-win' situation concerns the receipt of the order on one hand and receipt of payment on the other. This is popularly called 'cash-on-delivery'.

Organisational leaders are reminded to remember the difference between Michael Porter's value chain (Grant 1995) and the concept of a value stream. As Martin (1995:106) points out:

> A value stream is much simpler than Porter's value chain. Porter's value chain relates to the enterprise as a whole, whereas value streams relate to a set of activities that satisfy a particular type of customer (internal or external). The value chain perspective is driven by a functional business view evaluating costs and margins as a basis for competitive comparisons. The value stream perspective is based on streams of activities in every enterprise that deliver a particular result for a particular type of customer or user.

The implication is that redesigning value streams is relatively straightforward since each value stream should have a clear customer and the goal is to satisfy this customer in the simplest and most direct way.

Simple questions that may be asked to integrate the different choruses in the elaborated model are:

- What are the value streams for the organisation?

- Who are the customers of each of the value streams?

- What are the needs and expectations of the customers?

- What would delight the customer?

- How can the value stream be reinvented to meet and exceed the needs and expectations of the customers as simply and directly as possible?

- What are the most appropriate technology and information systems to minimizing the costs of doing business and costs to the customer?

A selected few of the value stream customers need to give feedback on the designed value streams to foster ongoing co-creation of value.

6.7.6 Collaborative setting up of distinctive structures and systems

Distinctive organisational structures and systems in the elaborated MaCoTra model are around value streams not hierarchies. Someone or a team is responsible for each end-to-end value stream.

Designing value streams should be cross-functional. This means the human changes resulting out of the developed value streams must be coordinated and not developed in isolation by the different functional areas. Martin (1995:115) suggests, "the functional areas must participate in joint workshops for the planning and design of the systems required".

This confirms that the designing of value streams and setting up of distinctive organisational structures and systems based on value streams has to be collaborative. A selected few of the value stream customers need to give feedback on the organisational structure and systems as the customers continue to co-create value with the organisation.

6.7.7 Collaborative capacity and capability enhancement

The seventh MaCoTra model chorus - collaborative capacity and capability enhancement, prescribes a combination of the Mbigi 'spirits hierarchy' and the Secretan Values-Centred leadership model.

As mentioned in Chapter 5, Mbigi's ideas were used successfully as a basis for running WAP sessions in PLEASURE.

Mbigi's (1997 & 2000) guidelines for organisational transformation are derived from Africa. The framework used is the African Spirit Religion metaphor (Exhibit 6.5.) for managing spiritual, emotional, and cultural resources in order to catalyze the optimum development of human talent in an organisation.

The deliberate focus is spiritual, consonant with Secretan's soul focus discussed in Chapter 2 above.

Exhibit 6.5: Creative Energies of African Spirits

GENERIC AFRICAN SPIRIT	CREATIVE ATTRIBUTES
Rainmaker (God's Representative)	Morality, truth, dignity, and welfare.
Hunter	Risk taking, enterprise, opportunity seizing, action, and performance.
Wandering	Creativity, particularistic obsession, special ability, innovation.
Divination	Authority to know the truth, divination powers.
Clan	Survival of self and one's group.
War	Power, competition, conflict and control.
Avenging	Bitterness, anger, revenge, and vindictiveness.
Witch	Cynicism, negativity, destruction, sorrow, pain and suffering.

Source: Mbigi, 2000:33

Mbigi suggests that transformation agents use burning platforms to diagnose the dominant spirit of an organisation by identifying the creative attributes listed in Exhibit 6.5. Bishop (2001:134) says "In the change communication process … the burning platform provides the 'push' while the destination is the pull".

The starting point in creating capacity is to help all employees understand the destination of the organisation. There is need to allow employees appreciate, for example, that the changes will benefit the organisation by making it a great company to do business with, a great place to work and a great long-term investment.

Whereas the first benefit presents the business case, the other two benefits will steer employees into supporting the change as they are benefits at a personal level. From a self-interest viewpoint, employees always ask "What's in it for me?". The change should be positioned to allow each employee relate to the following questions:

- How is the change going to affect my career opportunities, help me become more employable and create a workplace that's both fun and meaningful?

- What work benefits (like having a financial stake in the future of the company) will result as part of the change?

- Will it become easier to obtain the needed resources?

- Are employees going to be given more opportunities to make decisions and get their ideas heard?

Finding out what the dominant spirit is enables employees to agree the spirit they want to create.

Thus, depending on the situation or organisation, some spirits may be dominant over others. For example an organisation aiming for global reach as a business may express creative attributes of the rainmaker, the hunter, and the wanderer taking precedence over the parochial clanship and dogmatic divination spirits.

Burning platforms are similar to the sensitisation programmes that Jack Welch of GE held in 'the pit'. In the GE case, there was boundarylessness engagement of staff - akin to collaboration.

In African culture, positive and negative spirits do not live in isolation just as dialectics positions nature. In this regard, it is important to collectively and ritualistically upgrade the positive spirits and downgrade the negative spirits. Secretan (1997) calls this moving from weaknesses to strengths.

A second tool prescribed for building capacity and capability is the Secretan (1997) Vector (Exhibit 6.6).

Exhibit 6.6: The Values Cycle: The Vector

The Primary Values	Rating	The Accelerators	Rating
	0 - 10)		(0 - 10)
MASTERY *Undertaking whatever you do in both your personal and professional life to the highest standards of which you are capable.*	9	**LEARNING** *Placing a high value on the importance of knowledge, learning and wisdom.*	6
CHEMISTRY *Relating so well with others on a personal and professional level that they actively seek to associate themselves with you.*	4	**EMPATHIZING** *Identifying with the thoughts, feelings and perspectives of others.*	7
DELIVERY *Finding customers, both internal and external, identifying their needs and meeting them.*	7	**LISTENING** *Possessing a high level of attentiveness devoted to understanding the communications of others.*	7
TOTAL	20	**TOTAL**	20

Source: Secretan 1997:54

The Vector (Exhibit 6.6) is a tool that helps in measuring the relationship between *The Primary Values* and the *Accelerators* in the Value-Centred leadership model discussed in Chapter 2. Secretan (1997:54-55) explains the above example this way:

> *The Vector* is determined by subtracting the number value of the *Primary Value* from the number value of the *Accelerator*. The rule is that the number ranking of the *Accelerator* must always exceed the number ranking of the P*rimary Value*, if the *Primary Value* is to grow.

> The exhibit above illustrates how *The Vector* works. In the example, the rating for *Mastery* is an impressive 9, whereas the rating for *learning* (the *Accelerator* that provides growth in *Mastery*) is a more modest 6. This suggests that the current high level of Mastery cannot be sustained indefinitely because there is insufficient learning present to maintain this pace.

> In the case of *Chemistry*, the position is reversed. At 4, the level of *Chemistry* present is weak, but this is likely to improve because there is a significant level of *empathizing* (7) present.

> Finally, *Delivery* is rated at a respectable level of 7 and is matched by a similar level for listening. This suggests that *Delivery* can be maintained at current levels, although no significant improvement is likely, because *listening* (the *Accelerator* for *Delivery*) is being maintained at a correspondingly similar level.

> Used this way, the *Accelerators* are predictors of future change in *The Primary Values*. A review of the totals of *The Vector* in the figure suggests that the person or situation, to which it was applied, is in relative balance. However, as the analysis of the individual vector components indicates, it can be misleading to look at totals alone since this may obscure the variances within each *Primary Value* and *Accelerator*.

From my experience using the vector in PLEASURE, TEST 1 and TEST 2, employees in these organisations are beginning to apply Values-centered Leadership to their everyday life. Applying personal values and the vector, friendships have developed and championship performance is being witnessed. Customer service is being developed; effective meetings and negotiations are guided by these values. Some employees are reporting that their marriages have grown stronger through their daily use.

I have recommended other uses (in capability development) of the Vector to the same organisations and the willingness to adopt them has been overwhelming. Three examples of the uses drawn from Secretan (1997) that gained popularity in TEST 1 are highlighted below.

One team leader in TEST 1 said about part application of the Vector:

We have changed the way we run our meetings.

For example, we adopted the ideas you gave us from Lance Secretan to assess our effectiveness in running meetings.

At concluding any of our meetings, we now consider the decisions made by asking three questions:

Mastery*:*   Was it the best we could do?

Chemistry*:*   Will it be good for people?

Delivery*:*   Will it meet the needs of customers?

We call these three questions our gateways to success. Each person in the meeting needs to pass through each gateway with a "yes" for the meeting to be called successful. If any answer is a 'no', we draw lessons on how to improve in the next meeting. This has significantly reduced the time for our meetings.

And this deadly disease, any other business, A. O. B! A. O. B. is now a thing of the past. . We have replaced it by 'learnings' and use the Secretan Vector to assess effectiveness before we close the meeting.

A few TEST 1 employees were keen to share their experiences on the use of the Vector both at home and work. One said:

Life is an indivisible whole. In a changing environment, there is no separation between home and work life. I want to feel when I am at home I am at work and when I am at work I am at home.

I have tried to improve my interpersonal relationships with my spouse and teammates. We rated each other at work with my work mates and at home with my spouse on a scale of 0 - 10. We discussed the scores and agreed plans to strengthen our relationships:

We adopted the questions you gave us from Lance Secretan:

- ***Mastery****:* How would you rate my skills and competencies? And my   learning? What learning must I do to increase my *Mastery* in your eyes?

- ***Chemistry****:* How would you rate my relationship and interpersonal effectiveness with you? And my empathy level? How can I empathize better (and with whom?) in order to increase my *Chemistry* with you?

- ***Delivery****:* How well do I meet your needs? How well do I Listen? How can I listen more effectively so that I increase my *Delivery* with you?

The interrelationship change process is quite effective.

One team leader in TEST 1 also recounted what he is now working on regarding employee development:

> My team agreed that we try out the Vector for employee development programmes. We divided responsibilities and personal development objectives into three sections as suggested by the questions from Lance Secretan you gave us:
>
> - **Mastery**: What are the main tasks, skills and competencies for which I am responsible? What continuous learning is required in order to achieve desired levels of *Mastery*?
>
> - **Chemistry**: With whom must strong relationships be built and maintained? What are the opportunities for enhancing communications through empathy (truthfulness, trust, accountability, energy, honesty, integrity, respect, compassion and love)?
>
> - **Delivery**: Who are the customers for this function? What are their needs? How will listening be most effectively undertaken in order to hear those needs?
>
> My team is happy that we have something simple, different and effective to help us develop our capability to deliver service in a caring way.

Secretan (1997) proposes that many other work-related processes can be designed using the Values-centered Leadership model. These include designing job descriptions, business plans, customer feedback, service and quality standards, compensation plans, performance assessment, consensus building, and leadership feedback and project management.

My experience using the Values-Centred Leadership model confirms Secretan's (1997) argument that one of the greatest benefits of Values-Centred Leadership is that it is a life-model, not just a work-model, transferable to any situation and usable in any context.

The call for servant leadership by staff in PLEASURE during the fieldwork and particularly the uses in TEST 1 highlighted above creates an opportunity for the application of Secretan's ideas in organisational transformation.

As mentioned earlier, the premise of Secretan ideas is spiritual, just like Mbigi's.

The marriage of the two futurists' ideas enables a transforming organisation to build capacity and capability to serve diverse stakeholders from a deep cultural root.

6.8   Chapter Summary

The MaCoTra Model is a contribution towards addressing the sixteen challenges explored through this study.