

Adventuring In The Changing Realities of Messy Desks and Chaos

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Stability and order were the essence of good management in the relatively static environments of the past. This image is illustrated by the effective executive depicted in most training films who sits behind a tidy desk in a picture perfect room. This person is well planned and organized. He is the master of control and problem solving. Unfortunately, these films fail to inform the viewer of the chaos of movie making. In other words, the real story is one of chaos and bloopers rather than the fantasy of a neat and tidy desk world.

The Myth of Tidy Desk World

What is the source of "tidy desk world"? This image is based on the myth of Newtonian mechanics. This myth suggests that reality ought to be predictable and composed of everlasting patterns as a movie because, as with a video cassette, reality is viewed as a deterministic closed system. Unfortunately, reality isn't a video store where we can easily select the movie that we want to watch. Nature is filled with and thrives on chaos.

Messy Desk Leadership

In an increasingly messy world, the ability to create chaos is displacing the skills of order and stability. The effective leader wants to create chaos and seeks to be a problem creator. He or she recognizes the importance of romancing rather than playing the number's game. The reason is simple.

Chaos, problem creating, disorder, and romancing compose the heart and soul of dynamics- the process of evolving new orders. And, dynamics is critical to creating the competitive advantage.

The benefits of chaos are illustrated by Rational, a German oven manufacturer. Owner Siegfried Meister created chaos by announcing the suspension of its existing product and the devotion of its total energies to a new oven. This created a variety of problems for Meister. Foremost was convincing his associates that he hadn't lost his mind and that the new oven would create a new order in the marketplace. From this chaos arose a new commitment and order to support the new product. When launched, the oven create chaos in the industry. Other firms were unable to compete against the new oven resulting in an expanding market share for the firm.

Chaos and Cloaked War Birds

Chaos also allows a firm to become rather than to be defeated by "cloaked war bird competitors." As in the show *Star Trek--The Next Generation*, such firms appear out of seemingly nowhere as do cloaked Romulan war birds to launch a spread of new products and services. As result of the speed and innovation imperatives, such war birds will be the norm during the 1990s. Says C.K. Prahalad, a university of Michigan professor, "The global and competitive battles of the 1990s will be won by companies that can get out of traditional and shrinking product markets by building and dominating fundamentally new markets." For example, to accelerate the launching and spread of new products, Japanese firms are using a multi-dimensional innovation strategy. Say Peter Drucker, "The idea is to produce three new products to replace each present product with the same investment of time and money." A multi-dimensional team (marketers, engineers, scientists and manufacturers) work simultaneously on three dimensions of innovation. The first dimension involves making improvements to the existing product. The second dimension involves a major jump. The third dimension focuses on creating a true innovation.

Kingston Technology is an example. Kingston has created chaos in its "business" through speed, exceptional quality, and creating long term relationships with its vendors. The firm created chaos and a new order in "the business" with its "ship the product the day it is ordered" strategy. Founders David Sun and David Tu are intuitive thinkers who act on their

hunches. They recognize that in messy world an over relevance on the analysis is like playing soccer with a golf club or baseball bat. The firm also has a culture of fluidity and pays its associates well above the industry norms. Kingston tests 100% of its parts which is an unheard of devotion and commitment to quality in an industry where the norm is 5%.

Messy Desks and Organizational Health

As illustrated by this example, the purpose of chaos creation is to disrupt the stability and order of the status quo. Also, it illustrates that chaos is healthy rather than destructive. In fact, order and stability tend to point to an unhealthy system. It suggests that managers and associates are more concerned with processes and activity chains, keeping the desk tidy, than with products, services, improvement and renewal. Healthy systems are chaotic because they are in the process of renewing themselves.

The story of Pro Fasteners, Inc.'s quest to become a world class enterprise is an example. Pro Fastener's journey was filled with false starts and missteps. While quality and customer satisfaction dramatically improved, morale collapsed, and management resented employee involvement. Key managers left. Employee involvement teams failed to meet. However, CEO Steve Braccini supported the change and from the chaos, order has begun to emerge. Says Braccini of the experience, "These last two years have been about learning to walk, then trot, then run fast. Now, we're ready to compete."

Playing the Edge

Creating chaos requires a shift from the core to the edge of and beyond the horizon. Most managers tend to focus their attention on maintaining the core: existing products and service. This can lead to an emphasis on cost control and reduction. While important, it can lead to a lack of attention to expanding the organization's boundaries through innovation chaos.

What can executives do to encourage innovative chaos? The following are "clues" for executives and associates to play the edge through the application of chaos.

I. Scouting the Edge and Bring in the Chaos

First of all, chaos is supported by scouting- sending out "away team" and creating teams to scout for innovations. (Scouting is characterized as all individual and organizational activities related to scanning the landscape and mindscape for new ideas, practices and informations.) Scouting allows an enterprise to play the edge and to gather the intelligence required for transforming chaos into order.

Rational dispatches chefs to scout their peers to discover their needs. In turn, scouting intelligence is used to improve existing and develop new products. Gateway Computers' technology scouting group identifies new technologies to support the firm's strategy of providing customers with low cost state-of-the-art computing hardware NEC has created a committee composed of middle managers and executives who scout a variety of marketing and technological data to discover new product concepts. As a result, NEC has expanded its core technologies from 27 to 34. MCI has an R&D staff of twelve technologists who don't do R&D. They scout the globe for new technologies. The FI Group uses the "flying squad" to seek out useful knowledge from its project teams to be developed into new products. Stew Leonard's Dairy transports associates to another store to discover new ideas.

2. Creating Creative Space for Creative Chaos

Secondly, chaos can be created through designing or designating a creative space. There is a tendency for organizations to forget their core myth and their innovative origins: creative space. In the beginning, innovation, creativity, and experimentation are the themes of organizational life. With success, bureaucracy, standardization, and management begins to dominate. Esprit de-corp is replaced with the MBA (Masters of Business Acquisition or Analysis) corp. While beneficial and necessary, one result is that core mythical themes are transformed into concrete stones. Innovation, creativity, and experimentation become viruses to be eliminated. To this end, excessive energy is devoted to virus program development and maintenance. One result is the organization

becomes as a hard drive filled with virus programs which can't be removed. The hard drive, the current mindset, is protected from crashing; however there is little or no room for new programs.

Creative space is created to continuously evoke an enterprise's innovative origins. It need not be a place. In fact, the best strategy for killing creative space is to delegate to a place such as R&D. Creative space is a spirit that creates its own space. IBM is seeking to create creative space by decentralizing its business units. The hope is that the spirit of innovation, creativity, and experimentation of organizational members will be uncaged and creative space will arise.

3. Visioning, Romancing and Chaos

Thirdly, chaos is created through visioning and romancing. That means, dreaming visions that create the state-of-the-art and that are daring. The Rational illustrates such visioning. Romancing involves being open to excitement, seduction, and irrational attraction. For example, Paul Allen was seduced by computers and a vision of their future. This beckoning led Allen and Bill Gates to create a program from which Microsoft evolved. Says Allen, "What I really find exciting is creating new products or ideas and the opportunity to tie technologies together." Richard Branson, founder and Chairman of The Virgin Group, makes business development decisions based upon whether the business is exciting and funny.

It also means going with intangibles such as intuitions and hunches; and recognizing the limitations of rational analysis. For example, Bob Fletcher, chairman and founder of Fletcher Music Stores was puzzled by stagnant sales of high tech organs. Fletcher undertook an experiment and slowly eliminated non-organ products while becoming more empathic to customers. He learned that older customers were turned off by the design. Fletcher designed a elder friendly organ. He now sells approximately half of the organs sold in the U.S.

4. Self-Organizing

Self-organizing systems or teams are the structural result of visioning and romancing. At Southwestern Airlines, associates self-organized to implement a computing system. The project began during a gathering of

associates at a bar. At Digital Equipment Corp. associates self-organize computer conferences to explore common problems. OurTown Television Productions illustrates self-organizing in action. Associates design their own work with CEO Steven Rosenbaum serving as a facilitator. Rosenbaum reports that self-creating work has improved productivity. It has created a workplace where associates really love their work. MacTemp, a temporary help service, is another example. When the firm opens a new office, associates are presented with a model but are actively encouraged to improve on it.

Critical to self-organizing is creating "open space." *In Leadership Is An Art*, DePree states that giants give the gift of space, "space in both the personal and corporate sense" so that associates can actualize their potential. Great Plain Software is an example of an enterprise that supports open space. Management encourages associates to "push out of the parameters of their jobs." CEO Doug Burgum supports this by letting go of authority and by supporting bottom-up innovation.

Another example is Springfield Remanufacturing Corporation (SRC). At SRC, management wants associates to do away with their jobs. Says CEO Jack Stack, "We try to show people they don't have to limit themselves and they do have choices. We try to eliminate the sense of being trapped...We continuously challenge people to tell us where they want to go, what they want to do with their lives."

5. Harvesting the Fruits of Surprises

Serendipity can also be deployed to support chaos. In a Harvard Business Review article, Ikujiro Nonaka states that high performing Japanese firms use "highly subjective insights, intuitions and hunches of individual employees" for developing new products. Says Nonaka, "Managers everywhere recognize the serendipitous quality of innovation. Executives at these Japanese companies are managing that serendipity to the benefit of the company, its employees and its customers." Tom Peters, in *Liberation Management*, also emphasizes the importance of serendipity. Peters also warns of the myth of rational science and the illusions of discovering the Holy Grail of risk free and certainty management in chaos theory, and such techniques as visioning, information technology and culture change. Says Peters, "Managing by accident, making friends with

happenstance and enemies of dreary plans, is a useful antidote to 'professional' management run amok."

The development of Rubbermaid's Work Manager station illustrates the value added potential of "managing through accident." This product was not developed through analysis or rational decision making but came from Bud Hellman recognition while touring another subsidiary that its plastic blow-molding technique could be used to develop an inexpensive line of office furniture.

Henry Mintzberg also presents an example of success through serendipity. Mintzberg points out that Honda Motors didn't capture the American motorbike market through a grand strategy but through serendipity. Here's the story. Two executives come to the U.S. to sell large bikes. Targeted customers were not interested in them. People were interested in the smaller cycles that the executives had brought for their personal use.

Traveling, scouting and working with customers create a climate for serendipity. Each encourages chance encounters. Says inventor Charles Kettlering, "Get going and the changes are that you will stumble onto something." The Bud Hellman story illustrates the value of this practice. At Starbuck Coffee, executives travel to a dozen cities each quarter to conduct open forums to harvest new ideas. They have gain insights for addressing environ concerns, improving customer service and associate performance.

Scouting and working with customers on developing new and improving existing products and service can also encourage serendipitous experiences. For example, an Ingersoll-Rand team discover that workers were tapping tools while scouting customers. This serendipitous experience lead the team to recognize the importance of tool comfort and to design a new profitable product.

6. Messing Up The Desk and Burning Down The House

Finally, chaos is created by a culture that encourages associates to mess up the firm's desk, and to burn down the house of its existing products and services. Chrysler illustrates how keeping the desk neat isn't good for

profitability. Ron Zarowitz wanted to mess up the firm's desk and burn down the house with the introduction of a built in child seat. It took Zarowitz six years to mess up the desk. When Chrysler introduced the seat, it discovered that customers were buying them faster than they could be produced. Because it wanted to keep its desk neat, Chrysler missed this revenue producing opportunity for years.

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