

Creating A Developmental Business Organization

Level Three's processes for human capital development utilize a developmental technology that can produce extraordinary business culture change efforts returning 2000% to 10,000% on the investment.

Most “human capital” development endeavors are aimed at increasing performance in regard to sub-optimal measures: productivity, efficiency, product quality, cost reduction, and the like. It is possible to go far beyond the benefits of these typical pursuits, to levels of business contribution at which the ROI from them is astounding. Few firms realize they have the opportunity to choose to go beyond these early and fundamental stages of leadership and culture development to their ultimate extension—the creation of a Developmental Business Organization.

What Is A Developmental Business Organization?

A Developmental Business Organization is one in which the leadership focuses every business unit on the systematic and systemic pursuit of ever-increasing value to all stakeholders: customers, owners, employees, and community (at minimum). Every person and team is self-developing and self-focusing on the needs of the business. The aims of the effort are completely aligned with the enterprise’s corporate values and market pursuits.

A Developmental Business Organization goes far beyond the ordinary in its ability to generate year-over-year increases in revenues, margins, and earnings that surpass all competition, due to its rates of innovation, its people’s ingenuity, and the ongoing pursuit of perfection of its products and services.

What Can It Produce?

The immediate and ever-growing benefits of creating a Developmental Business Organization include the following:

- **Values:** It can reconcile differences and gain alignment on plans and organizational approaches among management, unions, shop floor employees, and all functional groups. It operates from systemically aligned values that ensure all such actions will be good for all stakeholders groups, simultaneously.
- **Entrepreneurial spirit:** It can generate innovations and improvements in processes, products, and work quality at rates that far exceed its competition. It focuses on increasing value *as a way of approaching all work*, at all levels and in every team and department.
- **Aligned Action:** Its functional and cross-functional teams translate business pursuits into objectives and actionable strategies that guide achievements as a normal part of the way work is planned and carried out.

- Lean: It continually eliminates waste and redesigns work processes without requiring a short-term “special project” emphasis. Working toward increased efficiency and effectiveness are *a part of each person’s everyday job*.
- Change: It can adapt and change as needs and circumstances dictate, and bring order out of apparent chaos with a minimum of wasted effort or energy.
- Value-Adding Focus: Teams are focused on their areas of the value-adding stream in which they can take initiative to streamline processes and improve products to make both their part and the whole of the business more successful.
- Whole-Stream Partnering: The promise of partnering with suppliers and customers to reduce cost and increase value creation/innovation for the entire stream is realized to its fullest potential. Key suppliers are developed to the point of focusing their most talented people on making the organization and its customers more successful in what they are trying to achieve.
- Soft Measures: Reduced turnover, absence, tardiness, behavioral discipline, and labor disputes, if any of these are currently problems; improved safety, orderliness and shop appearance; etc.

How Is It Able to Do That?

Unique and continuously developing capabilities will underlie those achievements, including the following:

- Values and Character: People are learning to think and work from values that lead them to discover what is right and good for each situation and all stakeholders. They hold themselves accountable for operating from these values, individually and as teams.
- Leadership Process: Leadership is viewed more as a *process* than just a role in the organization. Self-leadership is evident in day-to-day operations, and organizational leadership processes are placed in the hands of those who are ready to assume leadership for them. These may be managers and non-managers alike. They step in when those processes are needed: for a one-time activity, on a project basis, or as a continuing role.
- Expanded Sense of Ownership: Every person works from an understanding of the business and the entire value-adding stream, in addition to their focus on their own part of the whole. For example, they can organize cross-functional, multi-level business teams that can successfully deliver on both one-time projects as well as ongoing business needs. People are free from the “silo” mentality of most organizations.
- Enlarged Sense of Responsibility: Innovation moves faster because people in the organization take responsibility for it. They improve on technologies, organizations, processes, support systems, and products simultaneously. This is part of what it means to them to think and work systemically.

- **Increased Understanding:** Their problem solving, decision making, and planning skills are structured and systemic, reflecting the need for such thinking in any complex system.
- **Systematic Approach:** They can design and improve upon the managing systems by which important operational and support processes are organized, carried out, and systematically improved upon.
- **Self-Generating Spirit:** They bring greater spirit and creativity to each day and every task, due to their simultaneous focus on self-development, team development, customer satisfaction and business results.

How Is a DBO Created?

Our technology and methodology for helping businesses to create Developmental Business Organizations include the following:

- The effort begins with a thorough assessment of the organization's readiness to begin the journey. The assessment points the way to the capability gaps and any value gaps and mis-alignments in the organization that should be the focus of our early work.
- Company leaders typically then go through the Compelling Journey Workshop, in which the journey is envisioned and the course of action articulated. The vision created is one that marries the principles of a Developmental Business Organization with the uniqueness of the Company, its people, its history, and its business vision.
- The middle management/leadership levels are then brought into alignment with the top group's work through their own Compelling Journey Workshops.
- For each business unit, a strategy for implementation is developed to ensure that the development process proceeds in an orderly way, both within that business and aligned with the whole of the Company. The leaders of each unit take responsibility for guiding the development process as a whole.
- The "thinking technology" of the Developmental Business Organization is brought in through a series of workshops in which natural teams work together.
- They use their particular business challenges, problems, strategies, and goals as the content of work in the sessions, and apply the thinking concepts that are introduced to generate plans for improvement and other changes.
- Each team takes their plans back into the workplace after the session for implementation, and we provide on-site coaching, as needed, to reinforce the learnings and help with applications. The benefits of the sessions begin to emerge immediately, as teams gain enthusiasm and make successful changes in the workplace, beginning with the first session.

Who Stands To Benefit?

The promise of creating a Developmental Business Organization is the realization of the dreams and aspirations of everyone associated with the organization:

- Ever-improving performance in providing value to *customers* and sustaining industry leadership over all competition.
- Increasing ability to increase revenues and margins, and provide increasing earnings to *owners*, and therefore to mitigate the impact of cyclical downswings in the economy on their business.
- An increasingly inspiring workplace in which all *employees* experience their full potential to contribute. Company leaders at all levels (as well as labor union leaders, where applicable) experience greater ability to solve problems and overcome barriers to the mutual benefit of all stakeholders.
- Increased value brought to the *communities* in which your organization lives through more stable employment and the greater capability its employees have to bring leadership to community endeavors.

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