

SCiO

Building Viable Organisations

The Organisational Maturity Model (OMM)

OMM Manager

Release v3

Developed by Steve Hales
Alex Hough
Patrick Hoverstadt
Dave Mettam
Jane Searles

Copyright © SCiO 2010

The SCiO Organisational Maturity Model and questionnaire are free to use and distribute provided SCiO is attributed. All material and the design of the maturity model are copyright and no alteration may be made without specific written permission. The OMM and questionnaire may not be re-branded.

SCiO accepts no responsibility for the use of this model or any decisions taken on the basis of its use.

Online versions of OMM Manager and OMM Director are available on the SCiO webpage. An enterprise version of OMM (under development) polls multiple perspectives of an organisation, and aggregates the results to provide a more complete picture. For more details please contact SCiO through the webpage.

	Page
Introduction to the SCiO OMM	4-5
About the SCiO Organisational Maturity Model	
Who should use this?	
What is the basis for the OMM?	
How is Organisational Maturity Measured?	
How do the Questions relate to the Model?	
What Outcomes can the OMM Produce?	
Completing the SCiO OMM Questionnaire	6-7
Questionnaire	8-14
Scoring and Interpretation	15
Organisation Maturity Matrix	
Interpreting your Scores	
How to Review the Archetypes	
Table of Archetypes	16-17
Archetypes	18-39
Where Next?	40

Introduction to the SCiO OMM

About The SCiO Organisational Maturity Model

This is the Organisational Maturity Model (OMM) developed by SCiO, a group for systems practitioners based in the UK

OMM is driven by a questionnaire. This is the single user version and contains a maximum of 24 questions. It is designed to show the structural integrity of your organisation from one perspective. The corporate version (currently under development) will give a more complete picture and greater depth of inquiry.

Who should use this?

- If you want to assess the strengths and weaknesses in your organisation's structure,
- if you sense your organisation is not running as effectively as it might,
- if you are concerned about the long term viability of your organisation,
- if you sense that actions are being taken are 'treating' symptoms rather than the underlying causes;

Then you will find The Organisational Maturity Model useful.

It allows managers to improve the capability of their organisation to operate more effectively and adapt to change. It provides a framework to develop the structural integrity of the organisation.

For an individual having an explanation of the systemic causes of the problems faced can suggest alternative ways forward. It provides reassurance about aspects of the organisation that are working well and insights into those aspects of your working life that are caused by the system rather than individuals.

What is the Basis for the OMM?

The Organisational Maturity Model has been developed from the Viable Systems Model (VSM) and the work of Stafford Beer which provides a solid theoretical basis. VSM provides a universal template, tested in a wide range of different types of organisation – both large and small – against which any organisational structure can be compared.

The OMM identifies the activities and links necessary for the organisation to be "viable". It measures the maturity of the organisation against the presence and strength of these critical activities and links. If these are missing we find predictable symptoms which, in the extreme, can lead to critical failure. So the OMM can also be used as an organisational diagnostic tool.

Answering the questionnaire feeds information about the state of your organisation into the OMM, which analyses areas of strength and weakness within the organisation and provides specific insights into the systemic causes of any organisational problems identified together with potential solutions.

So, the process is for you to answer the questions. Then the OMM provides two forms of feedback, the Organisational Maturity Matrix and a set of Triggered Archetypes derived from your answers. Next you review the archetypes to see which are useful descriptions of your situation. The relevance of these archetypes helps confirm the validity of the assessment.

How is Organisational Maturity Measured?

Each aspect of organisation in the VSM is measured against the following four levels of maturity:

- | | |
|----------------------|--|
| Capacity | Are there adequate resources to perform this function? |
| Connectivity | Does this function have the relationships with other parties that it needs to perform adequately? |
| Balance | Can both parties resolve their issues and achieve the outcomes they need through their relationship? |
| Consciousness | Does management know that all the other three levels are performing adequately and why this is so? |

Each maturity level is self assessed on a scale of 1 to 7, where 1 is low and 7 is high. How you score is subjective, but this does not affect the validity of the score because the critical issue is the relative maturity of the various aspects of the organisation.

How do the questions relate to the model?

The questionnaire addresses six aspects of the Viable System Model:

- Operations
- Co-ordination
- Resource and Performance Delivery
- Monitoring
- Development
- Managing strategy

Each of these six aspects is assessed for where it sits within the four levels of maturity. The six aspects of organisation and four levels of maturity together form the Organisational Maturity Matrix.

What Outcomes can the OMM Produce?

There are two principal outcomes:

- A measure of the maturity of the organisation across six dimensions and four levels of maturity showing areas of relative strength and weakness.
- A focus for improvement based on a diagnosis of patterns of organisational behaviour or Archetypes.

Completing the SCiO OMM Manager Questionnaire

You have chosen to complete the OMM Manager Version.

OMM Manager

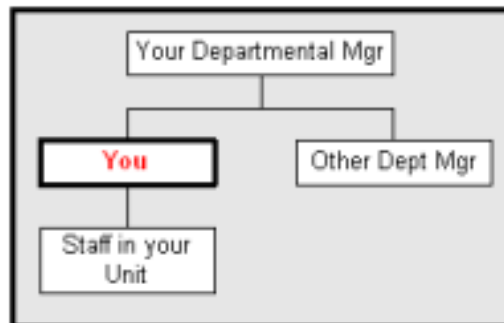
You manage other people and have a manager yourself.

If you have a manager who has staff reporting to them, but you don't have any staff reporting to you – e.g. you work alone as a service development resource – use the OMM Manager questionnaire and answer the questions on behalf of the whole management team.

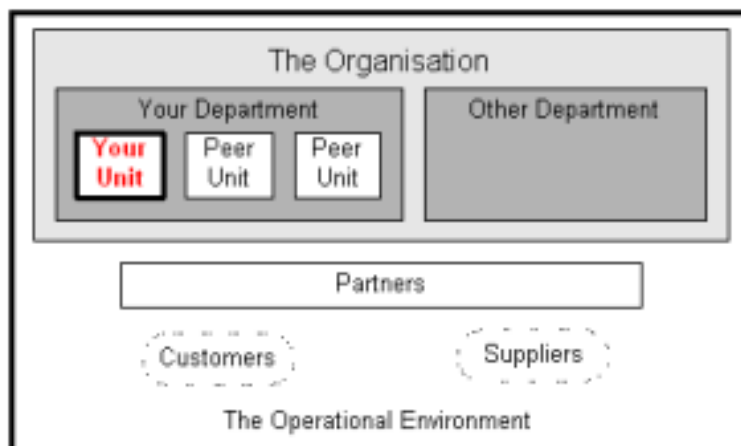
You may find that your role relates to only certain aspects of the OMM. In this case you may need to think of yourself as part of a management team and answer all the questions on behalf of all that team.

Use these diagrams to help position your response

These diagrams illustrate the standard terms used in the questionnaire. If you manager a team or division or business unit rather than a department please substitute the terms used in your organisation as you read the question. The critical issue is to be clear in your own mind which level of the organisation each question refers to. So consistency in the terms you use is important.



This diagram defines how your unit 'fits' with other parts of the organisation and with other stakeholders and the wider environment.



Each question is self assessed on a scale of 1 to 7, where 1 is low and 7 is high. The exact meaning of the scale is left to you, the participant. You will know whether you have scored an aspect low, medium or high and therefore whether it is an improvement priority.

To get the best from this questionnaire use the whole scale from 1 through 7.

If any question on any aspect is scored low, then this aspect becomes a high(er) priority for the improvement.

No Questions		Lo' Hi'						
		1	2	3	4	5	6	7
1	Each question is set out in a panel with a white background, each with its accompanying a scoring panel. Please use the whole scale from 1 through 7							
	These grey panels contain additional information / ancillary questions to help you with your assessment.							

When you have completed your questionnaire you will be able to turn to page 15 for instructions on scoring and interpreting your responses.

Questionnaire – Operations

No Questions

Lo'						Hi'
1	2	3	4	5	6	7

1

Within your unit to what extent do you have enough resources to meet the needs of your customers?

1	2	3	4	5	6	7
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

Within your unit, do you have the people, equipment and funding to provide the services and / or products to your customers that they need?

2

To what extent does your unit have ways, or routes, for two-way communication with your customers and with your suppliers?

1	2	3	4	5	6	7
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

Does your unit have mechanisms and processes to communicate effectively enough with your customers for receiving orders precisely and with enough information, and for receiving feedback from customers?
Does your unit also have mechanisms and processes for dealing with your suppliers - for ensuring that they deliver the right products and / or services to the right quality, cost and in a timely manner?

3

To what extent can your unit meet the needs of your customers to their satisfaction?

1	2	3	4	5	6	7
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

Are you able to deliver the full service that your customer(s) require within your target market?

4

To what extent do the operational staff within your unit have a shared and up to date understanding of how they deliver their products or services, and how well they deliver them?

1	2	3	4	5	6	7
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

How well do your operational staff understand what is important about their roles and in particular, the key features of the services and / or products from the customers' perspective and from your business' perspective?

Questionnaire – Co-ordination

No Questions

Lo'						Hi'
1	2	3	4	5	6	7

5

To what extent does your unit, peer units and its partners have operating between them the necessary standards, IT support tools, common plans, schedules, agreements, knowledge or other ways to ensure a smooth flow of delivery?

1	2	3	4	5	6	7
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Do you have mechanisms to ensure that your unit works smoothly with other units it interacts with – whether competing for or sharing resources, working with them as part of bigger process or a supply chain, or working with them to provide a shared service?

6

To what extent are peer units and partners involved in using these ways of coordinating?

1	2	3	4	5	6	7
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Ways of co-ordinating could include common plans, schedules, agreements, IT support tools, technical standards, knowledge or any other way to ensure a smooth flow of delivery?

7

To what extent is your unit free from unreasonable disturbance by the activities of peer units?

1	2	3	4	5	6	7
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

In day-to-day operations, is your unit able to get on with its work without unreasonable disturbance by other units? Equally, do you provide the support to other units that they could reasonably expect from shared requirements? (Oscillations and bottlenecks)

8

To what extent do you understand the potential conflicts that could occur between your unit and its peer units and does your unit have ways of addressing these?

1	2	3	4	5	6	7
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Are you aware of the areas where conflicts for resource, materials etc. could arise between your unit and other units that you work alongside?

Questionnaire – Resource and Performance Delivery

No Questions

Lo'						Hi'
1	2	3	4	5	6	7

9

To what extent are there processes in your department for deciding the levels of resourcing and performance of your unit and peer units?

1	2	3	4	5	6	7
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

Are there processes in your department for taking decisions about resourcing your unit?
 Are they linked to and based on the performance of your unit?
 Are there processes for measuring performance and rational processes for allocating resource to you?

10

To what extent do you input into the resource and performance decision process to ensure that the resources are adequate to enable your unit to meet its performance obligations?

1	2	3	4	5	6	7
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

Are there processes in your department for taking decisions about resourcing your unit?
 Are they linked to and based on the performance of your unit?
 Are there processes for measuring performance and rational processes for allocating resource to you?

11

To what extent are you able to influence decisions about resources and performance so that your unit is able to deliver to meet its users' needs?

1	2	3	4	5	6	7
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

Do you get a fair hearing when you make requests for resource or report on performance?
 Are your requests taken seriously by your department and acted on when appropriate, or does it seem like going through the motions?
 Do external factors override the right decisions?

12

To what extent is the potential synergy between your unit and peer units realised?

1	2	3	4	5	6	7
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

Is there enough understanding in your department of how the units within the department do or might work together to deliver synergy?

Questionnaire – Monitoring

No Questions

Lo'							Hi'
1	2	3	4	5	6	7	

13

To what extent does your manager allocate time and have a process to understand how the operations in your unit work?

1	2	3	4	5	6	7

Does your manager ever come to find out what is going on in your unit?

14

To what extent does your manager directly observe, over a period of time, how each operation in your unit works?

1	2	3	4	5	6	7
		3				

Does your manager make a point of routinely (but not regularly or too frequently) talking to the staff in your unit to see what goes on and how well things are running?

15

To what extent do you have the freedom from micro-management to get on with the business of running your unit?

1	2	3	4	5	6	7

Is your manager's involvement in the day-to-day running of your unit 'interested but hands-off' or is it inappropriate, perhaps verging on micro-management?

16

To what extent is the need for managers to understand operational processes recognised?

1	2	3	4	5	6	7

Does your manager (and others in similar positions) understand the need to understand what your people do and how it can help them in their own role?

Questionnaire – Development

No Questions

Lo'						Hi'
1	2	3	4	5	6	7

17

To what extent does your unit have resources to understand the relevant parts of its external operational environment, predict future opportunities and risks and plan change?

1	2	3	4	5	6	7
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

Does your unit dedicate resource to understanding what is going on – both within your business / organisation and outside it, looking at new developments and how they may affect it; identifying opportunities and threats?

18

To what extent does your unit access information on all the key features of its operational environment?

1	2	3	4	5	6	7
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

Does your unit have clear processes for looking at new developments, within your business / organisation and outside it, and mechanisms for reporting on them and reacting to them?

19

To what extent can your unit implement responsive changes rapidly enough to meet changes within its external operational environment?

1	2	3	4	5	6	7
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

Can your unit change quickly enough to match changes in the world outside, in technology, in your customer group and in the wider organisation?

20

To what extent is there a process to identify key future risks to the relationships your unit has with its operational environment and to what extent does it have plans which can be deployed for its survival if these risks occur?

1	2	3	4	5	6	7
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

Is your unit aware of the importance of changes in the outside world – both within your business / organisation and outside it – to its future success and even survival?

Questionnaire – Managing Strategy

No Questions

Lo'							Hi'	
1	2	3	4	5	6	7		

21

To what extent is your unit clear how it fits with the changing parts of the environment relevant to it and with the rest of the organisation?

1	2	3	4	5	6	7	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Does your unit understand its role in the wider organisation?

22

To what extent does your unit have a way to reconcile the needs of its future operational environment with the capabilities of today?

1	2	3	4	5	6	7	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Does your unit have a strategy for delivering services or products over the longer term?

23

To what extent can your unit develop strategy that is both practicable and appropriate for the future demands of the operating environment?

1	2	3	4	5	6	7	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Does your unit have a way of balancing the always present needs of the delivery of operational services or products with the longer term view?

24

To what extent does strategy create a purpose for your unit that is consistent with the purpose of your department?

1	2	3	4	5	6	7	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Does your unit have an up-to-date strategy that is meaningful to your staff, referred to by them and which is consistent with that of the organisation as a whole?

Now turn the page for instructions on scoring and interpreting your responses.

Scoring and Interpretation

Scoring your questionnaire

Enter your scores in question order. If you score 1 or 2, fill in the rest of the column below with 1. For example you have scored 2 on question 1 you need to enter 1 into the boxes for Q2, Q3 and Q4.

Rationale

The logic here is that if you have no capacity, then you cannot connect it
if you have no connectivity, then there is no balance
if you have no capacity, or connectivity, or balance,
then you can't be conscious it is working effectively.

Organisational Maturity Matrix

	Operations	Co-ordination	Resource and Performance Delivery	Monitoring	Development	Managing Strategy
Capacity	Q1	Q5	Q9	Q13	Q17	Q21
Connectivity	Q2	Q6	Q10	Q14	Q18	Q22
Balance	Q3	Q7	Q11	Q15	Q19	Q23
Consciousness	Q4	Q8	Q12	Q16	Q20	Q24

Now transfer your scores to the Table of Archetypes on the next 2 pages.

Interpreting Your Scores

Any score of 1 or 2 should trigger an Archetype which may be damaging the effectiveness of your organisation. All the archetypes are explained in the following pages.

Primary Archetypes are quite likely to be present if you have scored them 1 or 2

Secondary Archetypes are possible but less likely

Each description of an Archetype contains a description of the **Symptoms, System Structure** and **Solutions**. Of course, if you have scored 6 or 7 for a question you will probably find that your organisation is already applying effective principles.

How to Review the Archetypes

All organisations are unique, yet they all function according to the same systemic laws. As you review the Archetypes that have been triggered, you can judge the extent to which they relevant in your organisation. This should help confirm the validity of the maturity assessment.

Note that if you are scoring 1s and 2s in any area there are probably issues that need to be addressed. If you are scoring 6s and 7s you are in a position to observe and experience what it is like to work in an organisation that is displaying some characteristics of a viable organisation.

Table of Archetypes

	Operations	Co-ordination	Resource and Performance Delivery
Capacity	Q1 Score	Q5 Score	Q9 Score
Primary	Bricks without Straw (Page 26) Castles in the Air (33)	Reinventing the Wheel (Page 23) The Shakes (22)	Bricks without Straw (Page 26) Missing Link (25) Dictators (27)
Secondary	Stray Lamb (20) Identity Crisis (37)	Baronies (21)	Silo Decisions (34)
Connectivity	Q2 Score	Q6 Score	Q10 Score
Primary	Open Loops and Reverse Polarity (28)	Reinventing the Wheel (23) The Shakes (22)	Open Loops and Reverse Polarity (28) Missing Link (25) Dictators (27) Bricks without Straw (26)
Secondary	Baronies (21) Stray Lamb (20)	Baronies (21)	
Balance	Q3 Score	Q7 Score	Q11 Score
Primary	Open Loops and Reverse Polarity (28)	Reinventing the Wheel (23) The Shakes (22)	Open Loops and Reverse Polarity (28) Missing Link (25) Dictators (27) Bricks without Straw (26)
Secondary	Following all the Fads (38) Fantasy World (18)	Baronies (21) Matrix (24)	Silo Decisions (34)
Consciousness	Q4 Score	Q8 Score	Q12 Score
Primary	Fantasy World (18)	Reinventing the Wheel (23) The Shakes (22)	Baronies (21)
Secondary	Reinventing the Wheel (23) Stray Lamb (20)	Baronies (21)	The Shakes (22)

Monitoring	Development	Managing Strategy	
Q13 Score	Q17 Score	Q21 Score	Capacity
	Bean Counters (Page 32)	Identity Crisis (Page 37)	Primary
Giraffe (39) Fantasy World (18) Control Dilemma (19)	Here be Dragons (30) Goldfish (29) Bunker Mentality (31)		Secondary
Q14 Score	Q18 Score	Q22 Score	Connectivity
Giraffe (39)	Here be Dragons (30)	Castles in the Air (33) Bean Counters (32)	Primary
Control Dilemma (19) Fantasy World (18)	Bunker Mentality (31) Goldfish (29)	Silo Decisions (34)	Secondary
Q15 Score	Q19 Score	Q23 Score	Balance
Control Dilemma (19)		Castles in the Air (33) Bean Counters (32)	Primary
	Following all the Fads (38) Goldfish (29) Here be Dragons (30) Bunker Mentality (31)	Silo Decisions (34)	Secondary
Q16 Score	Q20 Score	Q24 Score	Consciousness
No Grassing (36)		Identity Crisis (37)	Primary
Fantasy World (18)	Bunker Mentality (31) Goldfish (29)		Secondary

1. Fantasy World

Frequency

Extremely Common and often Chronic

Also Known As

Symptoms

Confronted by a problem, an individual can act on intuition. Generally though, management teams don't have the same intuition and even if they did, admitting to one another that they don't have a clue what's really happening isn't always acceptable. So faced with a problem, they build models of reality to make sense of the world and to justify the actions they want to take.

System Structure

The Fantasy World archetype happens when managers don't bother to check their mental models against reality, don't collect the necessary research, or deny the evidence that they do have available. It results from a failure to build adequate or appropriate feedback loops into the organisation or into the environment to allow learning to take place and results in the management having distorted or out of date models of reality. Usually this is a chronic condition since it is self-reinforcing, instead of correcting flawed mental models means these are constantly re-affirmed and restated.

Solutions

*"Don't believe what you want to believe
until you know what you need to know"*

The structural solution to the Fantasy World lies in building adequate feedback loops to provide evidence to confirm or deny mental models combined with a periodic testing of the assumptions our models are based on. Both conditions are necessary. Stepping outside the logic frame of the assumptions is critically important.

See Also

Castles in the Air

Page 33

2. Control Dilemma

Frequency	Extremely common
Also Known As	Micro-management

Symptoms

Changes within the operating environment makes new demands on operations. Operational managers respond by changes in operations. Senior managers realise they don't know what is going on and panic, demanding increased reporting from operational managers. Operational managers spend time and energy locked in managing a deteriorating relationship with senior managers and are forced to neglect the operational issues, whilst senior managers locked into the same relationship ignore the strategic issues. So the organisation suffers a management failure at two levels – operational and strategic.

System Structure

Like many of the archetypes, the Control Dilemma is often perceived as being an issue of personality. In the control dilemma, managers are seen as acting like control freaks. Where Control Dilemma is persistent rather than a reaction to a particular set of circumstances, it appears as Micro-management.

Solutions

Systemically, the Control Dilemma archetype stems from a failure to build reporting structures that are trusted by both managers and the staff they manage. The solution to the Control Dilemma is through establishing a proper system of monitoring to support the performance reporting loop. This provides senior managers with qualitative information about operations which allows them to trust the normal performance reports they receive.

See Also

Can be triggered by	The Shakes	Page 22
Forms part of	Death Spiral	Page 35
Can trigger	Bean Counters	Page 32

and is more likely in Bean Counter Organisations.

3. Stray Lamb

Frequency Unknown – believed to be relatively infrequent

Also Known As

Symptoms

Stray Lamb primary activities are invisible in the management structure and are starved of resource, their potential and performance are unrecognised, or they are unmanaged.

System Structure

The Stray Lamb Archetype consists of primary activities that have been missed out of the management or formal organisational structure. Because it's about what managers have missed or ignored, it is inevitably one of the most difficult archetypes to spot.

Solutions

This can happen because of a failure to maintain an adequate or up to date model of the organisation and how it is evolving. A reliance on traditional organisation charts which don't describe activities doesn't help. So the solution lies in proper modeling of the organisations actual activities.

See Also

Missing Link	Page 25
The Shakes	Page 22
Re-inventing the Wheel	Page 23
Bricks without Straw	Page 26

4. Baronies

Frequency	Very common
Also Known As	Silo Management

Symptoms

Baronies are difficult to create synergy from, they are immensely resistant to change other than in their own narrow interest. They are fiercely competitive for resources, can engage in fratricidal competition and are usually unwilling to share learning.

System Structure

The Baronies Archetype occurs when one Fractal level is made up of a set of sub-systems that are so viable in their own right and that don't see the synergy provided by the next level of the organisation of which they are a part. In the tiered structure of autonomy that is a fractal organisation, Baronies are a plateau. Not recognising that what they get back from being a member of a larger whole is worth any constraint put upon them, Barons resent and resist any curb to their autonomy.

Solutions

A radical 'solution' is to restructure to break up the Baronies power base. This can do more harm than good, since the strength of a Barony comes from the fact that it is an effective organisational unit.

A more creative approach is to re-examine the business case for the potential synergies that can be found at the next level up by getting Baronies to work more for the whole system. If these synergies are real, then a compelling business case can be made and the Barons can be convinced. If not then the Barons are right to optimise their particular domain. Many management teams are weak at understanding and building synergies. Synergy is an emergent property of the system.

See Also

5. The Shakes

Frequency	Very common
Also Known As	Bottlenecks, Beer Game

Symptoms

Typical symptoms are unexpected or unmanageable surges in workload being passed from one operation to another. So backlogs in orders, or large stocks in work in progress are often evidence of The Shakes.

The Beer Game is an example of this problem in action.

System Structure

The Shakes happens because of a failure of coordination between operational units that causes oscillations in performance for one or more operations.

The coordination failure can be due to differences in processing times and therefore 'lags' in the system. It can equally be because of failure to balance resources, or simply a failure to plan operational flow at a whole system level, or to communicate between operations.

Solutions

The solution is to build adequate coordination mechanisms between operations to smooth the flow between them.

See Also

Can trigger

Control Dilemma

Page 19

6. Reinventing the Wheel

Frequency

Common

Also Known As

Symptoms

Teams assembled to do a task that is generically similar to others in the past, having to design their approach each time.

Absence of standard processes, or the 'standard' process being ignored. Multiple processes within the same organisation to do essentially the same task.

System Structure

This is a failure of coordination between operational activities and specifically a failure to transfer learning from one activity to another. As a result, common tasks are treated as if they were unique and the same set of problems is solved over and over again. As well as being inefficient, this often results in senior management getting pulled down to directing or redesigning operations. Probably the biggest impact, though one that is less easy to spot and quantify, is that in carrying out essentially the same operations differently, it becomes more difficult to transfer staff between teams or projects and it becomes difficult to maintain service levels once the initial team have disbanded.

Solutions

Where possible / appropriate, establish common processes and operating procedures. This may require an asymmetric approach with common processes for common jobs and a more flexible approach for 'one offs', but with a very clear differentiation between the two.

See Also

The Shakes
Control Dilemma

Page 22
Page 19

7. Matrix

Frequency

Common

Also Known As

Dotted Line Relationship

Symptoms

The matrix structure forces managers and staff in organisations to choose between the conflicting demands of two management streams, or to engage in endless meetings to try to resolve these conflicting demands.

Making each decision contingent on other decisions which are in turn contingent on still more decisions, is a recipe for having managers tied up in lots of meetings in which it is very hard to come to a decision.

System Structure

Systemically this the substitution of a co-ordination link with another line reporting link.

Matrix structures were developed as an attempt to address the coordination issue but by different means. Recognising that it was becoming increasingly common for one set of operations to disrupt other operations, the Matrix tries to resolve this by making each operational manager answerable to two sets of 'line' management. The cybernetics of this are so bad that in a true matrix organisation of any size, it is technically impossible to get stable decisions.

Solutions

The only reason they work at all is because a lot of matrix organisations are not true matrices and in the ones that are, managers learn how to bypass some decision nodes.

The solution is to distinguish clearly between the reporting relationship and coordination relationships – often called 'Dotted Line Relationships' on organisation charts.

See Also

The Shakes

Page 22

8. Missing Link

Frequency	Extremely common
Also Known As	Management Black Holes

Symptoms

No clarity on line management structure, reporting to the 'boss's boss' or to head office whilst bypassing local management.

System Structure

This is a gap in the management structure, particularly the reporting or resourcing structure, so levels of management simply don't exist, or exist without the information or capability to actually function effectively as a manager, i.e. incapable of taking well informed decisions and putting them into effect.

The result is that decisions are frequently taken by too high a level of management and consequently are often not well grounded in reality and are impractical. The Missing Link Archetype results in information that is divorced from its context, so management doesn't really understand its meaning and this results in poor decision making.

Solutions

Ensure that each operational activity is linked to the appropriate level of management and feeds information to that level and negotiates resources there, rather than reporting up several levels.

See Also	Bricks without Straw	Page 26
	Dictators	Page 27

9. Bricks without Straw

Frequency So common it's proverbial

Also Known As

Symptoms

What we see with this archetype is managers willing and demanding outcomes and often promising outcomes, but without willing the resources needed to deliver those outcomes. The consequences are obvious. Without adequate resources, the organisation fails to deliver, but often staff come under enormous pressure to deliver the impossible. Despite their efforts and the exhortations of managers however, the desired performance is not achieved and there is generally much embarrassment and the inevitable game of attributing blame.

System Structure

Systemically what causes this is a structural failure in the decision process. It is the separation of decisions about performance from decisions about resources. Unless these two elements are taken together, then the Bricks without Straw Archetype is almost inevitable. Connecting resourcing to performance is easy to say, but less easy to do, because in many organisations, there are structural barriers in the way. There are often barriers between those parts of management that decide on performance objectives and those that decide on resourcing and structural boundaries between the various parts of the organisation providing resources.

Solutions

The solution is to ensure the integrity of the decision process and specifically to ensure that the negotiating of performance and resourcing is conducted together as part of the same package.

See Also

Bean Counters
Castles in the Air

Page 32
Page 33

both of these are archetypes of imbalances in the decision process which can trigger the Bricks without Straw archetype

10. Dictators

Frequency Extremely common

Also Known As Stretch Targets, Salami Slicing, Arbitrary Cuts / Targets

Symptoms

Arbitrary setting of targets or arbitrary cuts in resources. The effect is usually a fall in performance as the operations are starved of the resources necessary to achieve the level of performance being demanded of them. Sometimes, under pressure efficiency (more for less) can go up as people work longer or harder to make up the shortfall, but this isn't sustainable and soon the system stabilises at a new lower level of performance.

The symptoms for individuals are usually high levels of stress.

System Structure

Systemically, it is critically important to connect agreements about performance to agreements about resources in a closed conversational loop. The Dictators Archetype occurs when this loop is broken and the two are dealt with separately and targets are set without reference to the resources needed to deliver that level of performance, or resources are cut without any reference to the effect on performance. Usually this becomes a unilateral decision.

Solutions

Ensure that the resource bargaining loop (agreement over performance to be delivered against agreement over resources available to achieve that) is carried out as a conversational loop.

See Also

Bricks without Straw

Page 26

Missing Link

Page 25

Castles in the Air

Page 33

Bean Counters

Page 32

11. Open Loops and Reverse Polarity

Frequency Extremely common

Also Known As

Symptoms

Open Loops is very common in collecting so called 'feedback' from staff or customers. It isn't actually feedback unless there is a mechanism that allows it to change the process. Dictators is a particular systemic example of the open loop.

This problem is common in performance management when performance measures are used not to inform about a process, but instead used to do the opposite, to drive the process. Typically this results in operational staff 'gaming the system' to give management the answers that management have said they want. The result is organisations where management's aspirations are not informed by real information and decision making becomes increasingly ungrounded and divorced from reality.

System Structure

A feedback loop starts with a process and information about the process performance which is fed back and used to inform decisions to change the process, to do more, or less or something different. There are two common problems – Open Loops and Reverse Polarity.

The first is a failure to close the loop, e.g., information on a process is collected, but there is no way to use the information to change the process.

Reverse Polarity happens when the feedback signal is run in reverse. So instead of collecting information about how an operation is running, which is a feedback loop from the operations to management, the opposite happens and the information flows the other way. So the operations are informed about management (particularly their aspirations) but not the other way round.

Solutions

Careful design of feedback loops to check that they do actually connect to decision makers and that the information is flowing the right way to allow grounded decision making.

See Also

Fantasy World

Page 18

Dictators

Page 27

Bricks without Straw

Page 26

12. Goldfish

Frequency

Common

Also Known As

Symptoms

Organisations encountering the same strategic problems again and again, e.g. repeated cash crises, or repeated failures to anticipate the market or to maintain critical partnership relationships.

Heroic leader cultures are both a symptom and a cause. A symptom because repeated crises breed heroic leaders and because heroic leaders require repeated crises to provide meaning for the leadership.

System Structure

So called because of Goldfishes' alleged lack of memory. This is a failure of organisational learning, so managers have to re-learn the lesson again and again. Similar to the 'wheel inventors', which is repetitive problem solving at an operational level; here, the systemic failure is of the intelligence function to learn about strategic issues in the environment.

Solutions

This is a failure to manage the intelligence function which models the fit between the organisation and its environment. It can be a lack of resource for this key function, or a failure to model strategic issues adequately (both capacity problems), or a failure to gather the intelligence (a connection problem) or a failure to integrate intelligence into strategic decision making (ultimately a governance problem).

Identify where in the information loop the failure is and repair it.

See Also

Fantasy World

Page 18

Death Spiral

Page 35

Bean Counters

Page 32

Castles in the Air

Page 33

13. Here be Dragons

Frequency	Very common
Also Known As	Blind spot, Blindsided

Symptoms

Strategy or operations disrupted by disturbances in the environment that were not just unexpected, but which the organisation was not even looking for.

System Structure

This is a failure of the intelligence function to identify or recognise key areas within the organisation's operating environment which it needs to understand. This problem is fundamental to the issue of strategic risk – which is the principal cause of failure of organisations.

Because this is about what the organisation doesn't know, organisations are by definition often unaware of this problem.

Solutions

This is a failure to manage the intelligence function which models the organisation's environment. It can be a lack of resource for this key function, or a failure to model strategic risks adequately (both capacity problems), or a failure to gather the intelligence (a connection problem) or a failure to integrate intelligence into strategic decision making (ultimately a governance problem).

Identify where in the information loop the failure is and repair it.

See Also	Bunker Mentality	Page 31
	Death Spiral	Page 35

14. Bunker Mentality

Frequency Very Common

Also Known As Ostrich Mentality

Symptoms

The management team turn in and only want to talk to one another. Staff are shut out and the team stop communicating either to the organisation except by bulletins and more importantly stop receiving messages.

System Structure

Faced with a strategic crisis, management teams often cut themselves off and retreat into the bunker. Part of the reason is that the crisis presents them with new issues for which they don't have adequate models, so processing information becomes extremely difficult – the team does not know what any piece of information means, and cannot distinguish between useful information and 'noise'. This means they are unable to function effectively and makes the team uncomfortable. Retreat to the bunker cuts the amount of information coming in and creates the illusion of being back in control.

Precisely at the time when management need to gather and interpret new types of information to get a handle on the new situation, they cut themselves off. The result is often fatal for the organisation.

Solutions

Robust scenario planning exercises prepare management teams for both the emotional and behavioural effects of dealing with crises.

Rigorous modeling by management teams, so they become used to building and sharing their mental models of new situations are critically important. There is no substitute for practice here.

See Also

Goldfish
Death Spiral

Page 29
Page 35

15. Bean Counters

Frequency Very Common

Also Known As

Symptoms

An obsessive fixation on efficiency and cost cutting is the most common symptom.

Bean Counter management teams see the future as just an extension of the past and change as 'more or less of what they are currently doing'. So they can do growth, but it tends to be just an expansion of current operations rather than development into new areas, new markets or new technologies.

Frequently Bean Counter strategies are framed in expansion or cuts expressed as large whole numbers, since despite the attention to detailed costing, they lack the tools to deal well with future uncertainties.

System Structure

This archetype is an imbalance in decision making prioritising efficiency over effectiveness. Good decision making balances efficiency (current operations) and effectiveness (the needs of the environment now and in the future).

Organisations tend to be biased either towards present operations or future demands. Bean Counter management tries to optimise the current operations by the quickest and easiest method – cutting costs. This sacrifices the organisation's ability to face future challenges.

Solutions

Rebalance management decision making towards better capability to understand the future environment. This means strengthening the intelligence function and its connections into the strategic decision process.

See Also

Death Spiral

Page 35

Control Dilemma

Page 19

Bricks without Straw

Page 26

16. Castles in the Air

Frequency

Uncommon

Also Known As

Symptoms

There are two common results. First, without a good grasp of the organisation's strengths and weaknesses, strategies chosen are often impractical and fail. Second, operations tend to be neglected, under-managed, under-resourced and are often chaotic. The consequence of weak operations is that current customers are often neglected resulting in quality and delivery problems and cash flow issues.

System Structure

This archetype is an imbalance in decision making prioritising development for the future over delivery now. Good decision making balances efficiency (current operations) and effectiveness (the needs of the environment now and in the future).

Organisations tend to be biased either towards present operations or future demands. Castle in the Air management teams neglect current demands from customers in favour of new markets, new ideas and new developments.

Solutions

Rebalance the management team and management decision making. Specifically, by strengthening the performance management regime to give a better grasp of strengths and weaknesses and prevent over-optimistic and impractical strategies being pursued and by strengthening operations management to improve delivery to existing customers.

See Also

The Shakes

Page 22

17. Silo Decisions

Frequency Extremely common

Also Known As

Symptoms

Factions within the management team and highly politicised decision making.

The outcome symptoms are decisions that part of the management team don't buy into either because they weren't involved or because they don't believe they are practicable. These two factors are interdependent – managers get excluded if they are likely to think an idea is impracticable and they are more likely to think it is impracticable if they've been excluded.

Ultimately Silo Decision Making produces strategies that are unworkable because key issues were ignored and they fail.

System Structure

Good decision making requires that different management functions interact so that the decision has taken into account the different issues that each function covers. One key role of governance is to ensure that these conversations happen and that all relevant disciplines are able to make their contribution. Failure to do this results in decisions that favour the interests of particular functional silos at the expense of others. Decisions taken like this are likely to be flawed as key information will have been ignored. This makes it easier to take the decision, but harder to implement the flawed decision.

Solutions

Good chairing of the decision making process. This doesn't necessarily mean a more formal process, in fact a less formal process is often more open, but it does mean making sure that all relevant voices have been heard, taken into account and their issues addressed.

See Also

Bean Counters
Castles in the Air

Page 32
Page 33

18. Death Spiral

Frequency

Common

Also Known As

Symptoms

The symptoms are familiar once seen – not just the ostrich like behaviour of the Bunker Mentality, coupled with a realisation that the writing had been on the wall for some time, but also a rising sense of panic as management and staff realise that events are spiraling out of control.

System Structure

This is an archetype made up of several other archetypes. Systemically, it starts with a failure of governance to maintain a balance in strategic decision making, particularly a failure to address external and future factors (Bean Counters). When the environment changes, this isn't noticed. Because of the failure to prepare adequately, operations respond to the environmental changes erratically. This triggers either inter-unit instability (The Shakes) or intervention by higher management (Control Dilemma) or both. This reduces the ability of the organisation to respond at both the operational and the strategic level. As a result, operational responses to environmental change are inadequate and the organisation starts to fail. If management they usually go into crisis mode (Bunker Mentality). This reduces their ability to address the problems and reinforces the initial isolation from external intelligence.

Solutions

Once the spiral kicks in, the organisation can usually only be saved by external intervention. Either an injection to the management team, or a further change in the environment is needed. In other words, organisations in this state only survive by luck.

Prevention however is much easier, less painful and surer. This consists of making sure that governance is functioning, that the organisation is actively scanning for strategic risks and preparing its management team to deal with expected and unexpected shocks.

See Also

The Shakes
Control Dilemma
Bunker Mentality

Page 22
Page 19
Page 31

19. No Grassing

Frequency	Common
Also Known As	Whistleblower's Charter

Symptoms

Generally quiet, 'nothing to report' style management meetings, interrupted every now and then by massive issues appearing to materialise 'out of the blue'.

System Structure

This archetype concerns collusion to keep more senior managers in the dark. It is unlikely to exist if effective monitoring is in place. It either reflects lack of trust in a supportive management relationship, or is the outcome of inter-peer politics. Management relationship issues may stem from imposed targets and lack of opportunities to respond resulting in fear of admitting failure or fear of reprisals. Relationship issues may alternatively stem from a management tendency to interfere or to remain too distant. Peer politics arise in an internally competitive environment or could be due to unclear responsibilities.

Solutions

This problem is detected by effective monitoring and is addressed by improving two-way dialogue between manager and managed. Conversations need to cover inter-peer co-operation as well as individual responsibilities. A combination of one to one and group meetings may shed light on what is actually happening.

See Also	Dictators	Page 27
	Open Loops and Reverse Polarity	Page 28
	Control Dilemma	Page 19
	Giraffe	Page 39
	Silo Decisions	Page 34

20. Identity Crisis

Frequency	Very Common
Also Known As	At Sixes and Sevens

Symptoms

An ongoing barrage of operational issues, which fails to reduce as the new organisation beds in. Continuing questions to management about responsibilities and seeming inability of staff to co-ordinate their efforts for themselves. It can sometimes emerge as a major rift through a number of organisational levels.

System Structure

This issue originates in a failing change programme where one or more parts of the organisation do not understand why they exist or who they need to work with. They may see overlaps or underlaps with other parts of the organisation or lack of demand for what they do. The lack of cohesion may mean that they are operationally stretched, through trying to cover over the cracks on behalf of the customers and ineffective use of resources as they attempt new roles. The issue may be resolved by fixing two way communication links. In some cases, It may however reflect serious strategic issues and operation design flaws which are hard to correct and lead to inadequate delivery and a downward spiral of performance.

Solutions

Prevention lies in well thought out, cohesive organisational design and incremental implementation of small packages of change, with learning loops at all levels, supported by effective two way communication.

Once it has occurred, the way out is effective two way communication. This may mean explaining what is intended and supporting staff to solve their own problems, and also to create improved co-ordination mechanisms. It is just as important to listen and to take on board unexpected operational issues and respond to them. There may also be a management 'turf war' which is creating mixed messages and requires resolution.

See Also	Bricks Without Straw	Page 26
	Re-inventing the Wheel	Page 23
	Open Loops and Reverse Polarity	Page 28

21. Following all the Fads

Frequency

Common

Also Known As

Symptoms

This can be felt as wave after wave of diverse changes being imposed on the products or the organisation, often seeming to cancel each other out. The organisation feels like they are in a small sailing boat tacking upstream against a strong current, losing any advantage gained on each change of direction.

System Structure

This unfocused behaviour starts with incoherent or ad hoc strategy. The organisation may for instance be unclear on its market strategy, resulting in operational staff responding in an ad hoc way to all perceived customer fads, leading to conflicting product pressures and ad hoc product developments.

The same can apply to the organisation itself. Rather than carefully analysing its own needs, the organisation imports the latest management fad. When this does not address its issues it tries another one, etc. The rapid and unrelated changes of direction, sap organisational resources without achieving lasting improvements.

Solutions

Aim to stay ahead of the game, by taking time when things are going relatively smoothly to examine future possibilities and opportunities, consider potential risks and develop robust strategies that will address the potential issues. React to external intelligence with consistent, researched, thought through and co-ordinated actions.

See Also

Goldfish
Here be Dragons
Bunker Mentality

Page 29
Page 30
Page 31

22. Giraffe

Frequency

Also Known As Ivory Towers

Symptoms

Often a flaw in an otherwise competent organisation. Staff at the operational level are undermined by an inability to influence strategy with their operationally sourced intelligence. They receive limited or unrealistic help when unexpected changes occur in their environment.

System Structure

This is a failure of effective operational monitoring. The operational units do a good job, act responsibly and co-ordinate well. Over time, senior management lose touch with operations, focussing instead on politics at their own level. They impose strategy (Dictators), with little knowledge of the impacts of the changes that they are setting in motion. They become divorced from the workplace and therefore are of little help when unforeseen operational issues arise.

Solutions

Design regular two way communications mechanisms between senior management and operations and take their input seriously. Ensure light touch, but comprehensive monitoring to build a good understanding of what is going on, even when things are going well.

See Also

Open Loops and Reverse
Polarity
Dictators
Fantasy World

Page 28
Page 27
Page 18

Where Next?

You have now completed OMM Manager, which has given you a measure of the maturity of your organisation and identified a number of possible organisational archetypes relevant to your organisation.

There are other versions of OMM for people in differing positions in an organisation available at the OMM Homepage

Ways Forward

Some possible ways forward are to decide:

- Which problems to tackle
- Which areas of organisational maturity you want to address

If you want help with this questionnaire please contact SCiO through the website (<http://scio.org.uk>) or speak to a SCiO member