

Appendix 1:

Summary Descriptions Of
Concepts, Tools & Frameworks

Special thanks to Joan Lancourt for her contributions and compilation of this Appendix.

Achieving Excellence Concepts, Frameworks & Tools

What follows is a brief description of the most frequently used concepts, frameworks and tools in NeighborWorks America's Achieving Excellence program. These concepts, frameworks and tools are drawn from the work of:

Douglas K. Smith: *Make Success Measurable; Taking Charge of Change; The Wisdom of Teams; The Discipline of Teams; On Value and Values: Thinking Differently About We In An Age Of Me; Achieving Excellence Guidebook For Coaches.*

Ronald Heifetz & Marty Linsky: *Leadership On The Line.*

Marshall Gans: *Organizing People Power & Change.*

Richard Chaitt, William Ryan & Barbara Taylor: *Governance as Leadership.*

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CONCEPTS

Activity-Based Goals vs Outcome-Based Goals: (*Make Success Measurable – pp1-6; Taking Charge of Change – pp 80-87*)

Begin with results not activities. A focus on performance outcomes helps people make the connection between change and performance and enhances commitment and motivation. People need to know why their work matters and how to recognize success. Outcome-based goals provide this link. Activities/tasks can be performed but may fail to produce any results or changes in behavior – e.g. make 100 phone calls, but no one shows up for the meeting, research customer wants, improve cross functional communications. In other words, while always needed to get things done, activities themselves are ineffective as *goals*.

Adaptive vs. Technical Change: (*Leadership on the Line pps 13-20*)

- Technical change includes problems that people already have the necessary know-how and procedures to solve.
- Adaptive change means people face problems that they do not already know how to solve or approach.
- Adaptive change includes the host of problems presented when people do not already know how to solve a particular problem or take a new approach. They require experiments, new discoveries and adjustments.
- What is technical for one person may be adaptive for another. You might know how to counsel a home buyer. I might not.

Alliance Building: (Leadership on the Line – pp 75-84; 152)

Many challenges facing AE organizations cannot be achieved alone. They require the commitment and change of a range of stakeholders. Building partnerships and alliances is a critical component of a successful challenge strategy. Partners and allies provide protection, help build power, and improve your strategy/goals by providing multiple perspectives. Getting the right people on your team is one of the EDs most important roles.

Behavior-Driven vs Decision-Driven Organizational Change: (Making Success Measurable – pps 193-210; Taking Charge of Change, passim.)

- In Decision-Driven Change, leaders must make tough decisions, communicate them well, and get buy-in and commitment. But essentially, there are enough people in the organization that have the skills/behavior/relationships to make the needed changes. That is, there are enough folks for whom this change is technical.
- In Behavior Driven Change leaders need to make tough decisions, communicate, etc., but essentially, a critical mass of people must learn new skills/behaviors/relationships because, for them, the change is adaptive.

The failure rate in Behavior-Driven change is high because managers use decision-driven approaches instead of behavior-driven disciplines. Behavior-driven management focuses on:

- Keeping performance, not change, the primary focus of behavior/skill change
- Continually increasing the number of people taking responsibility for their own performance & change
- Ensuring each person always knows why his/her performance and change matters to the purpose and results of the whole organization
- Putting people in a position to learn by doing and provide them the info/tools/support they need just-in-time to perform
- Embracing improvisation
- Using team performance to drive change whenever demanded
- Concentrating organization designs, structures and processes on the work people do, not just the decision-making authority they have
- Creating and focusing energy & meaningful language because they are the scarcest resources in periods of profound change
- Harmonizing and integrating the change initiatives in the organization so that they tell a “story” that makes sense in terms of performance and change
- Practicing leadership based on the courage to live the change you wish to bring about

Both/And vs Either/Or: (Taking Charge of Change p97)

Our culture excels at either/or thinking, but most adaptive change needs both/and thinking. We pursue both positive cash flow and market share, cost and quality, compliance and service, faster and best, mission and a business model. It is the EDs role to focus and manage the tension this creates and encourage both/and approaches.

Generative Thinking: (Governance as Leadership – pp 79-107)

Most Boards focus on their fiduciary and strategic responsibilities. However, the first responsibility of leaders (BODs) is to define reality (p90). Generative thinking is a process for more deeply engaging the Board in the governance of the organization, and in making critical decisions.

Boards are ideally suited to do generative work. They have the power, the plurality and the position (at the edges of the organization) needed. Problem framing precedes problem solving. It starts with great questions. It focuses on what knowledge, info and data “mean” and helps reframe problems. It involves 3 steps:

- Noticing cues and clues
- Choosing and using frames (using multiple frames)
- Thinking retrospectively to identify critical patterns

Generative thinking is appropriate when an issue is :

- Ambiguous
- Has high salience
- Is high stakes
- Need for consensus is high
- The decision or path chosen cannot easily be reversed

Going Public: (Achieving Excellence Guidebook For Coaches)

A process by which the ED and others in the organization communicate to the various “publics”/stakeholders who are needed to achieve or are affected by the challenge. The goal is to publicly commit the ED/organization to the performance challenge and begin the process of gaining commitment from all those required to achieve the challenge. Going Public is as much a process of listening and getting honest feedback about the challenge as it is of persuading others of the merits of the challenge. Going Public puts the ED/organization “at risk”, and begins the process of engagement, relationship building and obtaining the real commitment to action from the various “publics”/stakeholders needed to achieve the challenge outcomes.

On the Balcony: (Leadership on the Line – pp52-55)

Seeing the whole picture requires standing back and watching even as you take part in the action being observed. The hardest part is to notice what you, yourself, are doing. Being on the dance floor, and up on the balcony provide very different views. The ED’s role requires seeing the whole picture, the patterns and yourself as part of that pattern. Four questions help you get beyond your blind spots and up on the balcony:

- What’s going on here?
- Where are people at?
- What is the song beneath the words?
- What is the behavior of relevant authority figures?

Principles of a Performance-Driven Executive Development Program (Achieving Excellence Guidebook For Coaches)

Most executive development/leadership programs are curriculum-centric. Achieving Excellence is “challenge-centric”.

- Focus is on an organizational not a personal challenge
- Participants hold themselves accountable
- Requires Outcome-based goals
- Peer groups hold each other accountable
- Coaches guide participants to achieve performance and learn
- Structured assignments linked to specific phases and milestones
- Concepts, cases, frameworks & tools stimulate thinking and build skills, learning & performance

Relationships as Resources: (Organizing People Power & Change pp39-47)

Relationships are more than an exchange. It assumes a future and implies a past. It is a resource on which both parties can draw. It is a source of “power to” that didn’t exist before. Relationships are fundamental to collective action. “Weak ties” are actually best for broadening your network of resources. Creating effective relationships requires the following:

- Getting someone’s attention
- Identifying shared interests
- Exploring those interests
- Making “exchanges”
- Getting commitment

Building and maintaining a broad network of relationships is time consuming but critical to adaptive work. The more diverse the network, the more potential resources you have to draw on. In other words, people, not just money, must be viewed as vital resources.

Turn up the Heat: (Leadership on the Line – pp 107-116)

Changing the status quo surfaces hidden conflicts and challenges the culture. The ED needs to “turn up the heat” so that people will pay attention and face the challenges. An ED turns up the heat by:

- Keeping the focus on the hard issues
- Letting people feel the weight of responsibility for tackling those issues
- Bring conflicts to the surface
- Protect gadflies & oddballs

EDs also need to “control the temperature” which includes “lowering the heat” when necessary. This can be done by:

- Constantly taking the temperature of the organization
- Addressing the technical aspects first
- Breaking the problem into smaller chunks with time frames and assignments
- Slow down the process of challenging norms and expectations

Get Out of Your Comfort Zone: (Leadership on the Line)

Change is uncomfortable, and most of us do not welcome discomfort, unless there is a goal to which we are deeply committed. The ED must often push people out of their comfort zone in order to make the necessary changes required by the challenge. They can do this by:

- Turning up the heat
- Making a compelling “business case”/mission case
- Providing support

FRAMEWORKS & TOOLS

Campaign: (Organizing: People Power & Change)

Campaigns are a way to organize time. They are time as an arrow, rather than time as a cycle. They build a rhythm of action. They:

- Are strategic and motivational
- Target resources
- Begin with a “foundation period” followed by a “kick off”, followed by successive “peaks” and culminate with a “final peak” followed by a resolution (celebration of achievement, learning and evaluation).

Campaigns link relational, interpretive and action tactics, and each lays the groundwork for the next phase. Campaigns are also nested, building on each other to increase organizational resources and power.

Cycle of Sustainable Performance Story: (Making Success Measurable – pp 12-13; 138-145; see also, ethical scorecard, On Value and Values, p. 254)

Achieving sustained organizational success demands outcomes and results that benefit all the constituencies that matter. In a non-profit context, funders and supporters provide opportunities and rewards to the employees/partners of the organization to deliver value and values at an economic cost to beneficiaries/customers whose benefits provide psychological and other returns which encourage/enable funders and supporters to provide opportunities and rewards, etc.

This cycle depicts a philosophy for never ending success. It is balanced and integrated, and it encourages Both/And goals. Telling a cycle of sustainable performance story is an effective way to communicate the performance challenge to various audiences.

Design/Do: (Douglas K. Smith)

Essentially all change comes about through an iterative process of making choices (‘design’), then acting on those choices (‘do’) and then making choices again (‘design, round 2’) and then acting and so on.

Early Wins (Process & Outcomes): (Achieving Excellence Guidebook For Coaches)

To create and maintain momentum, early wins must be identified. Outcome wins can occur for Beneficiaries/Customers, Funders/Supporters or Employees/Partners. Process wins can also occur for each constituency. Examples are:

- Outcome wins: Beneficiaries – close 3 of next 4 loans in less than 45 days
Funders – Increase lines of credit to \$2.8 million
Employees – Working as a team, Directors have identified and captured \$25,000 in annualized savings by establishing a new Tenants’ group.
- Process wins: Beneficiaries – Bring 12 new families into the loan education program by 1st week of Jan through grassroots marketing effort executed by Dec.
Funders – Obtain approval from Fannie Mae to be direct Endorsement lender
Partners – 2 partners commit to joining us to achieve specific Performance outcomes for the “x” project by Feb.

Five Hows: (Making Success Measurable – p17)

The objective is to gain increased clarity and specificity about the performance outcomes. It consists of repeating the question “How will I know success?” with reference to each answer to that question, five times.

Five Whys: (Making Success Measurable – p17)

The Five Whys are a useful way to clarify an outcome focus. Ask the question, “To whom does this matter and why?” and repeat the question for each answer 5 times. Consider both internal and external constituencies.

Mid- Wins (Outcomes and Process): (Achieving Excellence Guidebook For Coaches)

Identifying mid wins occurs between the 2nd AE session and the summer color group meetings. Like Early wins, they spell out a set of SMART goals that will have been achieved by the summer session. They may be derived from the Performance Tree, and are designed to maintain the energy and focus needed to climb the “S” curve.

Performance Challenge: (Achieving Excellence Guidebook For Coaches)

- One of the 2 or 3 most important challenges the organization faces
- Takes 12-20 months to achieve
- Several to many people (not just the ED) must contribute in order to achieve
- Not “business as usual” but an adaptive challenge – i.e. it requires the organization/some people to learn new behaviors/skills/working relationships
- Something the ED feels “at risk” for when going public
- Is ripe – or can be made ripe easily -

Performance Tree: (Making Success Measurable – pp 53-60)

A performance tree enables you/your organization to logically break down a challenge into parts and disaggregates each part into sub parts. It helps provide focus, and can be

used for identifying early & mid wins, and for monitoring progress. It also helps people see how their piece of work contributes to organizational success. It is most useful for broad challenges (e.g. achieve sustainability, stop gentrification, create a land trust, serve a difficult population, etc.)

It requires choosing a time frame, stating your aspiration on the far left, then asking “What are the 3-6 most critical sub outcomes needed to achieve that aspiration (i.e. challenge)?”. Then for each of the sub outcomes, ask “What are the 3-6 most critical outcomes needed to achieve each sub outcome?” Brainstorming is a good way to do this. Next, create SMART goals (How will you know success?) for each item on the tree. Finally, review for completeness.

The process of “doing” the tree not only deepens the ED’s/organization’s understanding of the performance challenge but also enables communication of the performance challenge to the various publics with significantly increased clarity, thereby increasing the publics’ ability to connect positively with the challenge.

Personal Story: (Organizing: People Power & Change)

Stories are narratives that tell us how to handle difficult situations and choices. They “move” us and draw us in. They can teach us something about the “right” way to act, they articulate strongly held beliefs and values, what we fear, what inspires us and what alienates us. They are repositories of wisdom, and they draw on the past to help us meet current challenges and to shape a desired future. We become part of the story.

Structurally, they have a beginning, a crisis, and a resolution, and they link/interpret our experiences in a coherent account of where we’ve been, where we want to go, and how we are going to get there. Stories are the principle way we organize information for action. Symbols and new experiences can create new stories.

The most effective stories are “I” stories that include some vulnerability, flaw or conflict that you have overcome. Personal stories can also be woven together to create a shared story to identify:

- Why now?
- Why us?
- Why you?

Stories are helpful for recruiting, empowering, mobilizing, and creating community because they enable empathy and trust.

Portfolio Analysis (The Bridgespan Group):

In a world of limited resources, most non-profits need to focus their resources on the programs/services/strategies that will have the most “bang for the buck”. Good strategy enables an organization to maximize the impact of its resources.

The goal of a portfolio analysis is to identify those programs/activities that have the greatest impact per dollar invested. A four-box model provides a framework for

assessing an organization's programs and their impact. The 2 axis are Intended Impact and Financial Contribution. Programs that have high impact and make a high financial contribution are "Clear Winners". Programs with high impact but which "Require Funding" should be supported only if they are mission critical. Programs that "Generate Funding" but have minimal impact should be retained if they are a key source of discretionary funds, and programs that have low impact and are low revenue producers are "Potential Distractions" and should be improved or exited.

Most non-profits have little data about either impact or real costs. Defining impact is not easy, but articulating it as a SMAART outcome is a critical 1st step. Having accurate financial data about the "full" costs (direct and indirect) of program delivery as well as the net contributions of each program/service (revenue minus full costs) is critical. Also critical is the articulation of the organization's "theory of change". A theory of change links organizational activities to client needs through a chain of cause and effect relationships (if...then). In other words, How does each element of the program lead to the desired outcomes?

"S" Curve: (Achieving Excellence Guidebook for Coaches)

The "S" Curve reflects 3 chapters in the story of change: the beginning, the middle, and the end. There are 2 critical pivot points: the "end of the beginning", marking the transition from chapters 1 to 2, & the "beginning of the end" marking the transition from chapters 2 to 3.

- The "end of the beginning":
 - Journey/Risks
 - 1 or more teams "out to sea"
 - Challenge is a "must" do not an "extra"
 - Been around Wheel of Change more than twice
 - Outcomes
 - Challenge converted to performance challenge
 - Have "gone public"
 - Performance challenge is at heart of organizational agenda
 - Major SMAART outcome-based goals have been set
 - There is no turning back: the ED is "in the race" and "at risk"
 - Early Wins (process & outcome) have been achieved
- The "beginning of the end"
 - Journey/Risks
 - Everyone needed is actively participating
 - Everyone has been around the Wheel of Change so much that new routines have become Standard Operating Procedure. What was adaptive is now technical.
 - There are no more "risks" to the challenge
 - Outcomes
 - Major performance outcomes have been accomplished

Helping all the stakeholders to climb the “S” Curve requires the ED to actively manage and support the process of adaptive change.

Skill/Will Management: (Taking Charge of Change – p56)

We can change behavior only if we have both the will and the skill to do it. A 4-box model suggests how to manage people during a change process. If skill is high but will is low, command them; if skill is low and will is low, direct them; if skill is high and will is high, delegate; and if skill is low and will is high, coach them. This table works in conjunction with SMAART goals and the Wheel of Change.

SMAART Goals: (Making Success Measurable, pps 46-52)

Goals are SMAART when they are:

- Specific
- Measurable
- Aggressive yet Achievable
- Relevant
- Time Bound

Strategic Triangle/Authorizing Environment: (John F, Kennedy School Faculty)

The Strategic Triangle is depicted as 3 overlapping circles: Value, Support, and Capacity. It is important to diagnose what is going on in each realm of the triangle in order to create an effective performance challenge strategy.

Helpful questions are:

- What will have “value” in the market you are in?
- What “support” is there from your “authorizing environment”? (The “authorizing environment” is sum of the support or lack there of from the various stakeholders critical to the achievement of the performance challenge.)
- What is your organizational “capacity” to deliver value to your market?

The Strategic Triangle can also be mapped to the Cycle of Sustainable Change.

Team Discipline: (The Discipline of Teams – pp 1-22)

There are 5 basic elements of effective group work:

- An understandable charter
- Effective communication and coordination
- Clear roles and responsibilities
- A time-efficient process
- A sense of accountability

There are 2 managerial approaches to effective group work – the Single Leader Discipline and the Team Discipline. The Single Leader Discipline has a leader with the formal authority, experience, knowledge and judgment to make and communicate decisions, set performance goals and determine individual responsibility set the pace and determine the working approach, evaluate results, establishes benchmarks and standards, and maintain control of the group effort.

The Team Discipline demands complimentary skills, shared leadership, shared decision-making, and group accountability for a common purpose, performance goals, the working approach, evaluation, benchmarks and discipline.

A balanced approach to effective small group work requires the ability to use both disciplines, depending on the nature of the work. The key to which discipline is most appropriate depends on the answer to the question “Does performance require a collective work product?”

Wheel of Change: (Taking Charge of Change – pp 57-60)

The Wheel of Change charts the individual experience of change and provides a guide to help support a person through the process. There are 6 phases:

- Developing both the understanding and the need for change
- Developing the desire to change
- Having the minimum capability required to learn the new skills, behaviors and relationships
- Putting together some plan of action
- Taking action
- Reinforcing the new behaviors

It typically will take several cycles for a new behavior/skill/relationship to become internalized and SOP.