

MARSHALL'S MAXIMS

by Lisa and Stan Marshall

In this time when change is unrelenting, there are four things that you can bank on:

- 1.) Whatever the current situation is, it will change.
- 2.) It will change faster than ever.
- 3.) You can't predict what it will change to.
- 4.) Human nature won't change, at least not very quickly.

That poses a strange and forbidding set of conditions for managers and leaders. It sounds like a no-win situation. Fortunately, there are ways to stabilize aspects of this reality so that it can be dealt with. Virtually all of them deal with communication inside and outside your organization.

Business thinking has drawn on science for its metaphors for a long time. During much of the Industrial Era, the metaphors of machines and engineering helped shape the production line and drove huge increases in productivity. In the Internet Economy, new sciences, seem much more appropriate -- the sciences of chaos and complexity. In the last fifteen years, much of this language has crept into our thinking; "self-organizing systems" and "the butterfly effect" are two sample phrases you've probably already heard.

One of the key discoveries of complexity science is that a few simple principles can generate extremely complex behavior, whereas a proliferation of rules tends to generate much more simplistic and less effective behavior. In that spirit, we offer four simple rules for business life today:

1.) ***Know what you want out of life***

You have to know where you want to go before you start to go there. If you lose focus, you may lose the game. This is equally true for both individuals and organizations. What gives your life and work meaning? If the answer is money, think again: do you live to breathe? Neither do you (or your business) exist just to make money. Without a true sense of purpose, work quickly degenerates into meaningless activity. A focused organization (or a focused individual) isn't bogged down in meaningless processes and procedures. All too often, procedure replaces commitment in both individual and corporate life.

What is your story? How do you want to be remembered by family and friends? At the end of the day, what can you say you contributed? Without clear purpose and direction, neither you nor your organization will live up to its potential. Mind you,

there's a major distinction to be made here: a clear end goal lets you be flexible about the in-the-moment steps you take to get there, just as a good road map shows you lots of ways to get to your destination. So this isn't necessarily about knowing all the steps, because current reality is too fluid for that. It's just about knowing where you want to go.

2.) *Sandpaper your fingertips*

In the 1900's, a famous safecracker named Jimmy Valentine turned from criminal to hero overnight when he rescued the New York City police commissioner's three year old from a vault into which she'd wandered moments before it closed. When they brought him from the Tombs (the city jail) to the bank, the first thing he did was get out a small piece of sandpaper and sand his fingertips. That way, he could sense when the tumblers fell into place and successfully opened the vault.

In today's complex business environment, that's not a bad analogy for the sensitivity that's required. In a time of maximum confusion and chaos, you've got to be more sensitive to what's going on in your world than you ever have been before. You need to be able to pick up on very tiny movements, as the tumblers of the market fall into place -- or don't. And in a time when much of your capital resides between the ears of your employees, you must be equally sensitive to their concerns and aspirations. Otherwise, you may find your most critical resources walking out the door.

What does it take to keep your fingertips sandpapered? Three things:

- 1.) A healthy reading habit begets a curious mind and vice versa. And curiosity is critical today: the minute we think we know everything there is to know, we lose our edge.
- 2.) A real commitment to networking. And don't just stay in your own field: find out what's happening in the rest of the world. In today's webbed world, the next disruption to your business could come from almost any where.
- 3.) A habit of scenario planning -- assessing the significant trends affecting your industry and considering at least four alternative future possibilities. Doing this on a regular basis keeps the surprise factor lower when the market does something absolutely no one predicted!

3.) *You are your brother's (and sister's) keeper.*

With the dispersion of the workforce or the workgroup, and with the need for your organization to work as a unit, everyone in your group shares the need for instantly learning what you've learned. Your communication technology configurations need to be set up to support instant sharing of information. But the technology's useless unless people use it.

Closely held information, like closely held ideas or intellectual property, is a nearly worthless commodity. As Brian Arthur, the noted economist has pointed out, we now work in an era of the “Law of Increasing Returns.” The more that is shared, the more the economy grows. The more you share information with colleagues and employees, the more they share information with you. And that broader base of information ensures that every one makes better, more timely decisions.

Now that’s well and good to say, but if your organization fights you , then it just won’t work. So if the need for an answer goes from you to your boss and then to your boss’s boss and so on up the line, and then must come back down the line in the same fashion before you can act on the decisions, you’ve lost the game before it starts. Hence the need for the last rule:

4.) **Avoid hardening of the hierarchies.**

Hierarchies impede decision-making. And organizations that can’t make decisions quickly and cleanly are dinosaurs in today’s “turn-on-a-dime”, speed-driven world. Hierarchies stifle creativity and breed cynicism. Cynical organizations don’t innovate. Can you afford that?

Hierarchies also impede service. It’s an oft-ignored truism that those with the closest contact to the customer ought to be those making the decisions that affect the customer. Another often-ignored truism is that the fewer layers between the front line and the top line, the more nimble and responsive an organization can be. There’s clear research that shows that in organizations which reach more than 200 in number, communication and effectiveness begin to break down. Where possible, keep groups below that size, and above it, make sure there are only one or two layers between there and the top.

These four simple rules can go a long way towards keeping you focused, generative and flexible, traits that you will find can take you beyond surviving to actually thriving in the next generation of business.

Dedicated to my father, Stanley C. Marshall, from whom I learned them.