

The CFAR logo consists of the letters 'CFAR' in a clean, white, sans-serif font, followed by a square icon containing a stylized white 'C' shape.

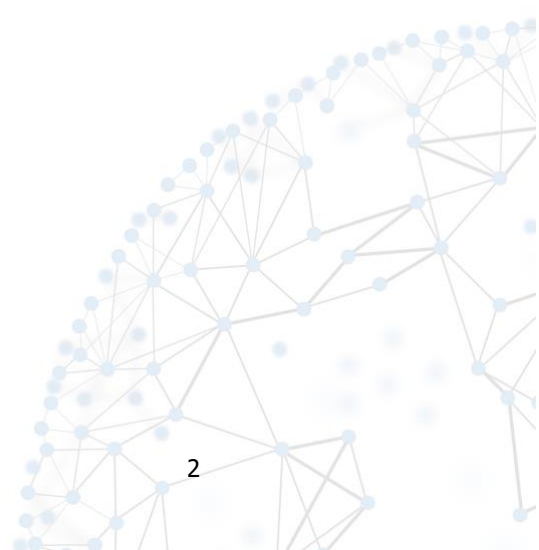
CFAR

THE CORE COLLECTION

CULTURE • ORGANIZATION • RESILIENCE • ENGAGEMENT

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Reinvigorating Your CORE

Todd Smith, Senior Consultant



2020 has been tumultuous, unlike anything many of us have ever experienced. As we shift to living and working in a new reality, organizations are left upended. Leaders face abundant urgent questions about how to care for their organization and their people, and plan for an uncertain future.

At CFAR, we have been grappling with the same challenges—both within our organization and through our work with clients. As we listened to leaders voice their concerns and watched numerous organizations hone in on the notion of resiliency, we quickly came to realize that resiliency, while a critical starting point, alone is not enough. Simply weathering the storm in hopes that things will “return to normal” is an unlikely notion that will leave organizations ill prepared to drive toward a better future. It was from this belief that CORE was developed.

Experience tells us that successful organizations have strong leadership and clear strategic visions that address not only competitive dynamics in the marketplace but also alignment across four key areas, vital to success: culture, organization, resilience, and engagement.

Why are these four pillars so critical to your organization?

- ▶ **Culture**—“How we do things around here,” the set of rules and assumptions for getting work done. When explicitly understood and actively cultivated, culture will serve as the catalyst for organizational growth and adaptation.
- ▶ **Organization**—How your business innovates, makes decisions, scales and implements will help you align culture and strategy to successfully execute.
- ▶ **Resilience**—How you remain strong as you meet today’s challenges and lay the groundwork for ongoing strategy renewal and innovation will pay significant dividends well into the future.
- ▶ **Engagement**—How you connect with your employees, families, shareholders, board members, customers, and partners, who are all struggling to find a foothold in uncertain times. Your ability to provide stability, focus and shared purpose will help each person see the key role they play in the success of your organization.

As we built out this new focused approach to addressing the CORE of a business, we recognized that it needed to be *concise*—our clients need focus, and they need it quickly. It needed to be *structured*—time is valuable to leadership teams and we needed to take as little of it as possible in this period of reinvention. And it needed to be *actionable*—articulating strategy and vision is not enough; clients must be able to execute.

With these criteria in mind, CFAR took many of our existing methodologies and tools to build out a new approach—the CORE consultation. In this approach, we partner with you to create a milestone-driven **roadmap** that aligns priorities, actions, people, and performance.

It includes three components:

- ▶ Diagnostic assessment, building on challenges to tackle and opportunities to leverage
- ▶ Three working sessions to develop your organization’s roadmap, with work in between

- ▶ A plan to implement your roadmap, allocating your time and energy where it matters most

We aim to complete this engagement with you in a six-week period, knowing that the details will differ depending on your situation.

We can't wait to learn more with you alongside your journey at this unprecedented time, through this new way of collaborating. We encourage you to reach out and discuss our approach more fully, or to recommend us to a colleague whose organization might benefit from such an approach. We remain committed to making a difference where we are able—and companies need leadership through these challenging times more than ever before.

The Critical Lens of Culture

Barry Dornfeld, Ph.D., Principal



Culture has played an increasingly critical role in organizations across all domains, and we know that people across organizational levels have become more aware of how vital its role is in shaping strategy, impacting organizational success, and deepening employee engagement. At the same time, the pandemic and the necessary responses to it have tested organizational culture in ways that we are just taking stock of and that may have long lasting impact.

We know that organizations with purposeful, collaborative, inclusive, and psychologically safe cultures have more engaged and effective leaders, staff, and teams, and deliver better outcomes and greater impact. And while culture can be difficult to define and measure, it fundamentally shapes organizational success. We define culture as “how we do things around here,” *the set of rules and assumptions for getting work done*.¹ Leaders reinforce cultural norms and behaviors every day, whether intentionally or not, and can play a critical role in shaping their organization’s culture and ultimately its success.

Yet in the response to COVID-19, organizations have had to do many things in new ways—working across roles and in new staffing configurations in healthcare, quickly “pivoting” to virtual learning and online instruction in education, and trimming costs and sometimes staff and salaries in the corporate world. Decisions had to be made more quickly than usual; strategic plans flexed and revised. We are seeing how culture has been both an asset during these times of turbulence, a source of resilience, and also how the “rules and assumptions” have been quickly revised as years of change get collapsed into months. Some cultural tissue has been stretched and even ruptured.

We are confident, though, that as organizations begin to plan for a post-crisis landscape, they will regard culture as an even more critical lens through which to see their strengths and opportunities, and a foundation from which to heal and innovate.

We have developed a new approach help facilitate this work: to take stock of where you are as an organization at this time, and to build on these strengths, learn from the challenges you faced, and take forward the positive innovations (what CFAR calls “[found pilots](#)”) that you have rapidly put into place. The CORE approach helps your leadership to create a roadmap for the organization’s next phase, and to lead change from both the top down and the bottom up so that you can intentionally shape the culture that you need for a successful future.

¹ O'Connor, M., & Dornfeld, B. (2014). *The Moment You Can't Ignore: When Big Trouble Leads to a Great Future*. New York, NY: PublicAffairs. <http://thementyoucantignore.com>.

Harnessing the Power in Your Organization in a Time of Disruption: An Opportunity to Re-visit the Way Things Have Always Been Done

Debbie Bing, President and Principal



Organizations can get in the way of their own success. The reasons are plentiful—ineffective design, challenged teams, unclear roles or structures, cumbersome or insufficient processes, challenging authority dynamics, to name just a few. Every leader has faced that moment. When they simply *know* that there is something about how the organization is working that is getting in the way of achieving the full potential of its goals. And yet harnessing the collective power of an organization—with multiple talents, ideas, and a more powerful overall impact than any one individual can have—is somehow still around the corner, just out of reach. How can you

build or rebuild an organization to be greater than the sum of its parts? What are the key levers to focus on and what needs tweaking or changing to ignite an organizational engine, capable of outsized impact?

Where to start?

It is often challenging to re-visit how your organization is set up because certain ways of working are simply “the way things are done around here” or have become entrenched. The turbulence leaders face in today’s uncertain times creates both a mandate and an opportunity to do what is hard to do even in more stable times: *re-evaluate and make needed changes in your organization to build a sustainable future*. Whether you are trying to create or reduce scale, redefine roles, ramp up innovation, clarify or change decision-making or leadership norms, *it all begins by defining your goal and identifying what levers will make the most difference to get you to the future you desire*.

Consider the levers to get you where you need to go:

Once you have identified your goal—e.g., what you are trying to solve for in the organization that you are building—consider which levers to focus on to get there. Here are a few:

- ▶ **Functions and areas of responsibility:** What are all of the kinds of work that must be accomplished and who does it? Are there things you want people to stop doing? Spend less time on? Spend more time on? Do you have all areas of responsibility accounted for somewhere?
- ▶ **Organizational structure:** How do you organize those who do the work (and what is their relationship to each other)? Are the right parts set up to interact effectively? Is the structure aligned with your current market and strategy—geographically, functionally, or otherwise? Does your structure enable innovation?
- ▶ **Leadership and governance:** How do you make decisions, provide integration/oversight, and communicate (both internally and externally)? Is there a clear leadership team (does there need to be?) and are the right people on it, given what you need them to do? Are decision-making processes clear and is the leadership structure set up to enable the consultation you need to make great decisions?

- ▶ **Process:** How and where can you make your work more defined and repeatable? Do you iterate and differentiate in the places where unique thinking is needed and follow repeatable processes where scale and efficiency are possible and/or critical?
- ▶ **Informal structure:** How do you stay connected as an organization? What creates the glue that has everyone feel part of the same overarching purpose (cohesion)? What informal channels are in place and what is important to understand about how they enable work and discussion?

There is no doubt a lot to consider, but chances are that only some of the levers need attention or re-visiting to align with your current strategy. Start by assessing what is working, and then address what is getting in the way.

A few things to keep in mind when assessing how to re-align your organization with your goals:

- ▶ **Organizational design needs to be linked to your purpose—structure works when it follows strategy.** In assessing this, harness the power of real market forces. How do changes in the current environment translate into shifts in your goals, and how must the organization adapt to respond? Be as creative as possible in designing your organization for the market it actually exists in—and benchmarking it against real competitors.
- ▶ **Structure is important, but often is too singular a focus—structure can only take an organization so far.** Organizations have two dimensions—the formal and informal: both matter. In the same mode of thinking, invest in both the incremental and transformative. Pay attention both to the genuine windows for major system innovation and to the endless stream of opportunities for incremental improvements.
- ▶ **Think about the real human side effects, unintended consequences.** We tend to think about organizational design in too analytic a framework, ignoring the more human-based aspects of how change efforts might be experienced. Often, organizational changes end up producing exactly the opposite of what we allege we wanted. We may talk about empowerment, yet people feel less potent than before. We may talk about distributed leadership and accountability, yet people experience more centralization and less ownership. How can you think ahead to unintended consequences, and plan accordingly to align your intention with the outcomes?
- ▶ **Act quickly to learn.** A key feature of the current moment is strategic speed. A fast-moving company will often use multiple actions as pilots to get the organization up a learning curve, so that they can more easily adapt as the new challenges unfold.
- ▶ **Think through multiple perspectives.** Your people are your biggest asset. Consider their experience genuinely. Looking at your organization through the lenses of different roles is crucial to thinking through implementation.

Organizational design is never easy work. It requires taking a critical, unflinching look at the full scope of your organization. Use the current moment to take on that hard work. Your efforts today will provide the foundation for the future.

Finding the Resilience Inside Your Organization

Nancy Drozdow, Founder and Principal



Lately, even before the pandemic, people inside organizations have been more “heads down,” get it done, don’t distract me. With the pandemic adding one more level of stress to organizational life—where people work from a distance, virtually, still intent to make plan, serve customers, develop talent—a new or renewed view of organizational life is emerging, where invention and adaptation of the formerly tried and true can either be encouraged or discouraged by an organization’s culture. What anchors a resilient organization in a good way, offering purpose, connection, and readiness for change?

Throughout history, organizations have come and gone. Some even once believed to be great, have now lost their cache. The best laid plans can fail to contemplate a present created by COVID-19, let alone a future beyond it. A sense of mission and purpose help tremendously as directional calls to action, as long as they stay alive (i.e., in organizational conversation) in challenged circumstances.

We see that the ingredients for resilience live inside all organizations. We can breathe life into them by applying a few principles:

Know you’ll be ok.

I had a long-time client whose business was underperforming after decades of success. Business units didn’t meet their plans, though plans seemed realistic when crafted; underperformance lasted a few years. We worked on diagnosing what might be holding them back, even as they put in place significant changes to processes and structures. With “eyes open” (seeing the results unvarnished), this client kept at it and at it. When asked what kept him going, he said: “I leave no stone unturned, including any sacred cows, and when that’s done, and I’ve done all I and we can, I trust that providence is on my side.” An unrelenting attitude of “we’ll figure this out,” coupled with a realistic assessment of what regrouping takes, positions leaders to lead from optimism as well as clarity. This takes both confidence and humility.

Develop support systems—and know that support systems come in multiple forms, each with its own value.

Support for yourself: Some organizations sponsor coaches for leaders, providing someone to talk to, to reflect on strengths and weaknesses with, to be a sounding board. Leaders sometimes think they are their own best counsel, and often actually are, but having others you can trust to “keep your head on straight” is invaluable.

Support for groups of people in similar roles: Sharing a collective experience as a way to process and make use of it—and not feel stuck with it—also builds a can-do spirit. Good facilitation enables good support versus just wallowing. Finding ways to tackle new challenges as a group, where each member has some accountability to others, puts some muscle behind adaptation.

Support for groups of people in different roles: Well assembled cross-sectional groups enable dealing with different ways of thinking and different perspectives. When this works, these groups act as a microcosm for issue- and opportunity-spotting, and can experiment with new ways to tackle emerging issues before they become real problems. Some experiments work, some don't, but learning to experiment is a central feature of resilience.

Formally and informally signal that it's worth taking time to learn from experience, even when time feels in short supply.

Lead by example by shining a light on lessons learned through good communication mechanisms and also by demonstrating that learning, metabolized into behaviors to try, is worthwhile. Communication can include broadcast messages from leaders, brief case examples of ideas that worked and ideas worth trying even if they didn't work, or small group conversations about feeling exhausted and what to do about it. Do the things you've been putting off, and see what happens—turbulence is an opportunity to go for it, as long as you're making sense of results afterward. Taken together and over time, these efforts build resilience into the culture. Consider enabling an ad hoc group with the job of "listening in" for on-the-ground product or service adaptations prompted by customer connection. Then spread the word.

Take a break.

Paradoxically, more and more tunneling into a problem can yield less and less insight. Frequently, what proves to be most helpful is moving outside the situation, figuratively or literally, by doing something that forces stepping away. Take a bike ride. Watch your kids. Call your mother. Join or start a book club. Force and encourage yourself and others to take the breather that is needed for renewal.

Successful organizations that last across time face setbacks big and small. What sets them apart is what they do with their experience of setback. Setbacks are a time for truth-telling—knowing that the success of the past can become rhetoric for closed-mindedness. At CFAR, we say that feeling bad is natural and okay, with a time limit. When time is up, gather support and tackle next steps until the steps yield the turnaround results you and your organization are capable of.

The Art and Science of Engagement

Jennifer Tomasik, Vice President and Principal



Engagement is the art and science of including people in the shaping and implementation of strategy and change. In our experience, intentionally planning what we call the *engagement architecture* of a project or initiative that you want to advance is absolutely essential for creating strategy and change that stick. We advise building inclusive processes through which to surface a diversity of voices and opinions, using a variety of methods for tapping into the guidance, expertise, and passion of your people—including leadership, staff, board, family members, and others whose outside perspective can be helpful.

When considering engagement, it's important to remember that people are incredibly busy and being pulled in many different directions, especially now. Combat adding to any potential sense of overload by looking for efficient, effective, and stimulating ways to engage them in order to get their best thinking—while minimizing the overall amount of time they need to contribute. Building in engagement from the outset to ensure that stakeholders can participate in authentic and meaningful ways at appropriate times provides important benefits.

For example, if done well, engagement:

- ▶ Takes into account **decision rights and your organization's authority structures** to generate and vet ideas through vehicles such as interviews, focus groups, surveys, and/or working sessions. The results provide information that contributes to the work, but more importantly, the results promote ownership of the ideas and increases the likelihood that those involved will embrace and implement those ideas—thereby doing double duty with your budget.
- ▶ Provides a way to **test the framing and reframing** of key ideas, strategic concepts, and choices, and also helps you understand the unanticipated consequences of potential decisions and actions.
- ▶ Enables the **surfacing of differences** to both determine where greater alignment is needed and to understand how to set the stage for change that may be needed as a result of a change or a new strategic imperative.
- ▶ Relies on and uses **resistance to determine how far to go and how fast**. In other words, by taking seriously what is learned from the skeptics, you can identify critical questions and issues to address that may not otherwise surface. In this way, you can tackle these challenges head on, rather than bump up against them later in your work.
- ▶ Is more than just a buzzword or an idea to talk about in presentations. CFAR **brings discipline** to its approach to engagement by intentionally focusing on the architecture for how people will be involved and in what ways.
- ▶ **Gets your organization aligned**—your proverbial boats all rowing in the same direction—so that different parts of the organization can better see the full picture of your strategy and how they contribute to it.

Well done engagement, however, shouldn't be limited to internal players. Building relationships and sustaining joint efforts with external partners—ones whose networks and knowledge

compliment your own—is critical to ensuring that your efforts make sense not just for your organization, but for the broader world in which your organization must operate.

Ultimately, the goal of a focused effort on engagement is to carefully include a meaningful breadth of contribution, while at the same time building support and ownership for the work that you ultimately choose to undertake. This means not only asking people to differentially participate, but also being clear about how they will ultimately contribute to decision-making. In the end, you will have a cadre of people who understand what has been decided and why—and the role they will play in carrying the work forward.