The Platform Driven Organization

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Introduction

The purpose of this article is to shed light on two key developments in the field of leadership that are significantly impacting organizations today. These two new developments are transforming businesses and nonprofit organizations alike. These new developments are: 1) the creation of a new category of leadership called "leaders of leaders," and 2) the reemergence of the leadership tool called, "the platform," as the cornerstone of organizations. The first finding of this article is that the "real" job description for a "leader of leaders" is very different from the job description of a "leader of followers." This article explains that difference.

Leaders [of followers] generally view their job as high level "problem solvers." "Leaders of leaders" have a completely different job. They have the job of creating new, robust and enduring platforms that provide the organization a unique identity, can mold and direct large scale behavior within an organization and can address successfully large classes of problems. Most importantly, when a leader of leader creates a platform, the leader must also create a feedback system so the platform can be improved on a continuous basis by input from those who are "on the ground" implementing the platform. The value of this article is that you can take the findings and immediately begin to implement some of the changes suggested in this article in your organization. You can transform your leaders into "leaders of leaders" and you can begin to create one or more "platforms" to improve your operations and organizational results.

Today, "leaders" are primarily problem solvers. Occasionally, they help organizations set and change the strategic direction of their organizations. More often, they merely solve problems like revenue shortfalls, make human resource allocation decisions (expansion of head counts or downsizing), seek additional investment into the organization, select and guide marketing campaigns and serve as the "spokesperson/cheerleader" of the organization.

"Leaders of leaders" have a different role and organizations are starting to discover that they need a separate person to occupy this "leader of leaders" role. This is one of the reasons why we are seeing the roles of the CEO (the "leader") and the Chairman of the Board (the "leader of leaders" typically) becoming separated at Disney and other large organizations. "Leaders of leaders" do not spend most of their time merely solving problems.

Rather, they create the platform or platforms which sets the rules, behavioral expectations, quality control, tone, work and customer service ethic as well as the overall identity of the organization. These platforms created by leaders of leaders and approved generally by the consensus of the stakeholders of the organization serve as the guiding force regarding broad areas of behavior including how employees perform their jobs, how managers treat employees, what level of customer service to provide, what products and services to develop,

what profit margins to seek, what level of integrity is required and even what types of financial reporting systems (transparent or guarded) to integrate into the organization. These platforms are broad enough to help people in the organizations figure out the best answers to systemic challenges and entire classes of problems which the organization faces on a regular basis. These platforms are also specific enough so that employees and all stakeholders of the organization can identify with the platform, can have their daily behaviors guided and informed by the platform and can be used as differentiators for the organization in the marketplace.

One other key element of a "platform" is that the platform created by leaders of leaders of organizations is not a static idea or document. It is a living platform. And just as platforms on the ocean are designed to absorb the movements of the ocean in order remain stable (by taking in information and responding appropriately to that information), platforms in organizations must be supported by open and honest feedback systems so that the people implementing the platforms can inform the platform makers when changes are needed to insure that the platform can adapt to the changing world that the employees and project managers face each day on the job. With this system of feedback, the platform is constantly improved and refined in order to stay relevant and to serve as the leading vehicle in guiding the behavior of employees and managers as they carry out the objectives of the organization.

Since "leaders of leaders" are now creating platforms and are beginning to lead from "platforms," below we clearly define what a platform is and describe how to create solid, robust and meaningful platforms in organizations.

Key Elements of a Platform

The first element of a platform driven organization is that the platform is known, understood, respected and dominant throughout the organization. It directs and guides decisions and actions at every moment and at every level in the organization. No exceptions. The second key attribute of a platform is that is broad in scope and deep in meaning and impact. The third key attribute of a platform is that it is a living, breathing, streamlined set of values, principles, mores and guidelines that leaders of the organization teach and follow on a daily basis. The fourth key attribute of a platform is that in order to sustain itself and the organization it supports, the platform inspires and demands consistent betterment of the organization as a whole and of the platform itself.

Like the North Star that used to guide the mariners, organizations universally used to have "platforms." Moe recently, however, platforms have been routinely abandoned as organizations adopt expedient practices or so called "best practices" to deal with current problems. Enron, MCI/WorldCom, Andersen Consulting, Global Crossing, MicroStrategy and Xerox all resorted to falsifying financial data because they had no organizational platform that demanded honest behavior or inspired the courage to tell the truth to their investors and the public and take the consequences.

In the U.S., West Point and Washington and Lee University's "honor code," Nordstrom's customer service platform, "satisfy the customer," IBM's platform in the 1980's "do what the customer needs" and McKinsey's platform of "provide the client 10 times greater value than the costs of the project" are excellent examples of platforms that drive organizational

betterment. In Britain, Colin Marshall's creation of a new platform at British Airways set the stage for one of the most innovative and successful turnarounds in the history of the airline industry. Marshall's platform included a strong plank of devolving decision making down to the lowest possible level.

This platform, in and of itself, led to reducing the bureaucracy at British Airways, cost savings, improved nimbleness, better customer service, stronger financial results and devolving accountability to the lowest possible level as well. The creation of this platform prompted the willingness of the employees who became empowered to suggest and even make decisions that they had to "go upstairs" for authority before, to become more innovative, to suggest and implement new strategic alliances and new acquisitions, and got employees and managers talking about and working hard to create a strong, entrepreneurial culture at British Airways. And, this platform of devolving accountability and decision making to the lowest possible level, brought the "action" closer to the customer level. Thus, customer service was dramatically improved as a direct result of the development of this new platform.

A European company, Siemens, has developed a new platform of supporting extensive university based research and development project at such prestigious universities as Carnegie-Mellon's School of Computer Science. Siemens's new platform has opened up new avenues for product development and innovation at Siemens, and placed "Siemens's" mark on the field of "software engineering and architecture." Siemens's platform, as manifested by its substantial financial support in the establishment of the "Software Engineering Institute" at Carnegie-Mellon now directly links Siemens with US government funded projects at the Institute and world class leaders in the emerging field of "risk analysis in software architecture development."

Platform as the New Organizational Paradigm

This renewed emphasis on "platforms" comes at a time when companies and nonprofit organizations are starting to realize that customers and employees generally do not care about the written mission statement or vision statement of an organization. What customers and employees care about is how the organization operates, how it meets their needs and the needs of all of the stakeholders of the organization. Thus, the creation, teaching and enforcement of a true "organizational platform" represents a paradigm shift in recent efforts to improve organizational effectiveness, and reinvigorate trust in organizations. Today's organizational platforms are becoming the guiding set of principles used by leaders to lead their organizations to greatness. The platform has become the key "force," while the mission and vision statements of organizations are relegated to the status of platitudes that collect dust.

Steps To Becoming A Platform Driven Organization

Below, are twelve steps an organization should take to create a platform and become a "platform driven" organization. The first set of steps describes how to create a robust platform. The second set of steps suggests how to implement the platform. The third set of steps suggests how to refine and improve the platform. The steps are:

1. The organization's key leaders should develop a list of the core principles, objectives, standards and activities of the organization. A few examples that might appear on the list include:
    a. Consistently meet customer needs
    b. develop, maintain and report accurate financial information
    c. establish and maintain excellent service
    d. develop defect free products
    e. treat employees with respect and honor
    f. tell the truth in all circumstances regardless of the potential negative consequences
    g. make informed decisions
    h. strive to be the best in all aspects of the organization's life
    i. become the technology or service leader
    j. be ethical in all dealings
    k. strive for excellence first, then improvement
    l. achieve sufficient profit, retained earnings or financial stability to allow for significant reinvestment, R&D and proper marketing/branding

2. The next step is the organization should survey all key stakeholders (employees, stockholders, customers, vendors, board of directors, etc.) to determine their views regarding the key features and elements that should go into the platform or platforms that will guide the organization.
3. The leaders should then use this input from all stakeholders plus their own knowledge and wisdom and develop a concise statement that embodies the highest priority core principles, standards, objectives and activities of the organization. This document becomes the organization's draft "platform."
4. Then the leaders should send out the organization's draft platform to all key stakeholders for review and comment. All responses are considered and then the organization should refine and adopt the platform in a manner consistent with its governance rules. Then, the organizations will "print" (electronically or on paper) the platform and distribute it throughout the organization in a manner designed to have the maximum impact.
5. The organization should then provide training to each employee on the meaning and role of the new platform and create ways to make everyone accountable to the organization and their fellow employees, customers, investors, managers and stakeholders for carrying out the platform meticulously.
6. The organization should then publicize the platform and insure that each employee and each organization in its supply chain agrees to have their behavior guided by the platform. Each member of the organization and each organization in the supply chain, ideally, should sign an agreement to this effect. Repeated or willful violations of the platform should be deemed cause for dismissal of an employee or termination of any contract with a supplier of the organization.
7. The organization should then establish a system to reward (and regularly acknowledge) examples of behavior consistent with or above the level required by the platform.
8. The organization should also establish a system to reward those report behavior that is not consistent with standards prescribed by the platform.

9. The organization should then continuously update and disseminate a data base of examples of "platform consistent behaviors" and "platform inconsistent behaviors."
10. The leaders of the organization should take quick, decisive, well publicized and strong action whenever platform inconsistent behavior is observed in order to insure that the person or group responsible for the platform inconsistent behavior does not have the opportunity to spread this type of behavior within the organization.
11. The leaders of the organization should encourage all stakeholders to provide honest feedback on how each and every element of the platform is working or not working.
12. The leaders should repeat steps 1-6 to revise the platform, at least annually, to reflect feedback from stakeholders and republish, retain and reinvigorate the organization with the new, improved platform on a regular basis.

Conclusion

Today, ask yourself and your organization's leaders, "What is our organization's platform?" In all likelihood, no one in the organization will have a good answer. However, after quickly explaining the concept of the platform, then ask, "What should our organization's platform be?" The answer to this question, once created and implemented throughout the organization, will become an important source of organizational identity and betterment.

It is the role of the organization's "leaders of leaders" to create, disseminate and enforce the platform for the organization. This important element, the platform, has been missing from the organizational landscape and literature over the past several decades. This missing link helps explain the Enrons and Parmalots we have been seeing lately littered across the business landscape.

The new emphasis on platforms will distinguish leading and successful organizations in the new competitive landscape over the next decade. It is the organizations with real, discernable platforms that will be the most successful at employee retention, a critical factor in success as employee turnover becomes more expensive each year for growing organizations. The human resource implications of having a successful platform are enormous. In addition, having solid platforms that guide an organization will go far toward reducing risk and unwelcomed behavior that has struck such organizations as United Way, Barings Bank, Drexel Burnham as well as other financial, business and nonprofit organizations over the past several decades.

The best thing about the new emphasis on creating platforms in organizations is that this concept is just as applicable to small businesses, nonprofits and educational organizations as it is to the largest organizations (including governmental organizations) in the world. In sum, Dell created a new platform for the value chain in the computer hardware industry. That was the key to its success, its value and its longevity as the largest computer hardware company in the US. Recent research shows that the effort that goes into the development of the right platform for your organization can be one of the most productive and useful exercises a company or organization can pursue. And, successfully implementing such a platform can have an enormous financial reward as well.

About the Author

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