



Three Pillars of Organization and Leadership

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Abstract

In this chapter, the identified and explored unchanging building blocks or—how the authors name them—pillars for “good organization, leadership, management, and governance” are described in detail.

We strongly assume that in volatile, uncertain, complex, and ambiguous (VUCA) businesses, enterprises need to be organized and managed in a dynamic way, committed to a clear direction and belief, developing and connecting the valuable resources they need to create impact and value. And facing this VUCA world, they must neither wait nor take long-term decisions but have to take next steps, again and again: experimenting, prototyping, and piloting their ideas and approaches so as to find the right development path.

As mentioned above, following our key idea was to identify and explore something like the unchanging building blocks or—how we name them—pillars for “good organization, leadership, management, and governance” in the described new business world, and for the transition to the future, we found exactly three pillars. To be competent in building on them will become a key success factor in the future.

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Sustainable Purpose

The people in the organization need to know why they are doing what they are doing and why they are making the decisions. The purpose has to remain very stable, be supported by leaders and employees, be inspirational, and be lived out in practice, starting with the top management.

Or in other words: the purpose is giving clear and convincing orientation on the right level that aligns and inspires the people to a joint endeavor, which makes them confident and proud to be part of it and contribute to it. This is vastly different to visions that are reduced to mere figures and financial goals, as is the case in many companies, and which only serve to alienate people from their valuable work. In contrast to strategy and goals, the sustainable purpose remains unchanged for a longer period, as it is formulated on a meta-level but is concrete enough to inspire the people and make them engage for success of the company or institution.

Travelling Organization

The organization's understanding has to be that it is continuously on a journey towards the best possible results and joint success in partly unforeseeable influences. On the map, it will potentially have to zigzag, always exploring the best path between poles, alternatives, and options. Sometimes, the people in the organization don't know them, and then they have to make smaller steps and explore the land—based upon their sustainable purpose and enabled by their connected resources.

Even if they don't know what they will have to face around the next bend and what the best result will then be, they believe in their motivation and joint capabilities to manage it. This makes a fundamental difference to the illusion of business consistency, strategic stability, and structural continuity in disruptive times, as is sometimes promised to the managers and employees after completion of a change project. Travelling organizations need holistic agility in their mind-set and DNA, covering an agile mentality, self-reflection, readiness to embrace change, and willingness to deliver. People in a travelling organization are curious, open, and impartial, have the capacity for self-reflection, are experimental, and cope well with uncertainty, special challenges, and unforeseen obstacles.

Connecting Resources

The organization has to be aware that impact, value, and efficiency need connectivity between individuals, between people and organization, between ways of working and customer needs, and between strategy and skills. This means managing connectivity, preventing unconnected strategies and processes from developing, and continuously re-arranging connectivity on the company's journey. This is in marked contrast to the compartmentalization of the company's resources in terms of structural silos, hidden agendas, boxed competencies, individual incentives, and behaviors. And there is one additional huge advantage: only with an intelligent

and flexible connectivity is it possible to balance the (increasingly) different interests within the company and between its multiple key stakeholders. This is a systemic asset that is not to be underestimated.