

# Conductive organization can electrify customers

## Managing Books

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### The Conductive Organization

By Hubert Saint-Onge and Charles Armstrong  
Elsevier, 249 pages, \$47.50

The knowledge era — a more educated work force, working in a networked economy — requires rethinking the way we design and operate our organizations and interact with our customers.

In *The Conductive Organization*, Hubert Saint-Onge — the widely heralded business visionary who used to be senior vice-president of strategic capabilities at Clarica Life Insurance Co. — and Charles Armstrong — chief executive officer of Toronto-based S.A. Armstrong Ltd. — argue that we are in the midst of a significant transition from all that we have traditionally known about the effective management of organizations to something we understand very little about.

Borrowing from the scientific notion of the flow and transmission of materials, the image they present is of a conductive organization continuously generating capabilities to meet the needs of customers and the marketplace.

Conductive organizations increase the quality and speed at which knowledge flows internally, and between customers and employees.

They also attune their organizing structures and principles to the needs of customers.

The foundational organizational capability is strategy making, which the authors differentiate from strategy, the term we are accustomed to.

Strategy is the objective, something you arrive at through the process of strategy making; the constant renewal of strategy to align and keep pace with the evolution of marketplace needs.

That requires developing a knowledge strategy by consciously thinking about how to eliminate the obstacles and resistance to

enhance capabilities," the authors write.

The knowledge strategy puts in place the mechanisms for gaining access to and exchanging knowledge.

The intent is to place the organization's best knowledge at the fingertips of everybody in the organization, accelerating the development of individual and organizational capability.

A common phrase at Clarica was: "Working is learning and learning is working."

In all, the authors define four interdependent, layered strategies that build upon each other.

The knowledge strategy, customer strategy and organization strategy combine to build the overarching business strategy.

Cultural issues are also important and that begins with defining values.

Since culture reflects the collective mindsets of employees, the authors have an unusual approach to developing values.

They begin with employees, rather than top officials handing down a values statement from on high.

Clarica, for example, surveyed all employees to understand how their individual values came together in an aggregated common statement.

Employees were also asked to what extent the firm was actually living those values.

In addition, focus groups were held with customers to identify their perception of Clarica values in action.

The final statement reflected the history and present-day reality of the company.

"The values that had been intrinsic to past success became the bedrock on which further cultural evolution would take place," they note.

The purpose of creating an organization capable of unimpeded knowledge flow, continuous learning, and rock-solid values is to meet customer needs.

"Central to the highly conductive organization is a continuous flow of knowledge from the customer to the organization, where strategy, culture, structures and systems are all calibrated to customer needs," they say.

The objective is to be calibrated so you are just ahead of the customer, essentially occupying the

conceptualization.

Much of the territory is not new — a lot has been written on the customer imperative, systems, and knowledge management.

However, the authors bring it together neatly and provide some intriguing models for developing the building blocks of a conductive organization.



**In Addition:** Toronto-area consultant Barry Siskind presents seven strategies for living a life of certainty in *Eagles Must Soar* (John Wiley, 139 pages, \$26.99).

None of us can predict the future, of course, but Mr. Siskind argues that, instead of getting bogged down by bad news or nagging worries, you can keep on track by knowing with absolute certainty that whatever the outcome, the conclusion works best for you at that time.

His strategies include understanding the cycles of life, recognizing your true purpose, and harnessing the power hidden in your doubts and fears.

The book is a quick read with some useful insights.



**Just In:** Innovation expert Clayton Christensen's latest book, co-authored with Scott Anthony and Erik Roth, *Seeing What's Next* (Harvard Business School Press, 310 pages, \$44.95), shows how to use his theories of innovation to predict industry change.

*The Elephant in the Boardroom: Speaking the Unspoken About Pastoral Transitions* (Jossey-Bass, 220 pages, \$34.99), by consultants Carolyn Weese and J. Russell Crabtree, is a guide to developing a succession plan for smoothing leadership changes in your church.

Psychotherapist and business coach Peggy Grail offers tools to help you through personal or professional change in *Just Change It!* (Art Bookbindery, 200 pages, \$19.95).

Casey Fitts Hawley, who works as a career coach with large U.S. companies, offers *201 Ways to Turn any Employee into a Star Performer* (McGraw-Hill, 197 pages, \$21.95). That includes handling common workplace problems from excessive smoke breaks and lack of initiative to tardiness and low-quality work.

James Stephenson shows how to start, run and grow your own prof-