

Ecosystem Designer

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0:00:05.4 Announcer: From the Washington DC chapter of the Project Management Institute, this is PM Point of View, the podcast that looks at project management from all the angles. Here is your host, Kendall Lott.

0:00:15.4 Kendall Lott: Spring Breaks, red buds, Bud, podcasters be casting their pod's knowledge. Welcome PMs to another episode of PM Point of View, elevating the conversation. Co-host Kendall Lott here. Back in the saddle in my home office in Virginia seeking enlightened conversations and bringing them to you with co-host, Mike Hannan. Mike, where are you today and what's the good word?

0:00:36.1 Mike Hannan: Salt City, Utah, gearing up for my first trip to Dinosaur Valley National Monument where all the fossils are just visible from the cliff side. [chuckle]

0:00:42.8 KL: Yeah, have you stumbled over any recent consulting conundrums in the world of project management and thereof?

0:00:48.0 MH: Yeah, one interesting one actually. I learned it the hard way, when clients tell you, they actually want to let them lead and to meet them where they are and not do their push-ups for them, they're sometimes lying.

[laughter]

0:01:04.9 KL: All I can think when you started that sentence was, they're lying, they're lying, they're lying, they're lying.

[laughter]

0:01:08.9 KL: Well, let's be clear, are they wrong or they're lying, the difference being motivation?

0:01:13.4 MH: Let's just say, I got sold a bill of goods on how motivated they supposedly were the first off ramp, they saw they took it.

0:01:20.7 KL: Well, sometimes we ought to have a guest on here who can talk to us about being a client or the psychology of clients. There's a guy I follow on a blog on management consulting who seems to understand how clients work and as he says, "It's never about you, it's always about them," and that's a whole bundle of magic when you say that. So there's an interesting concept in there. So, anyway, speaking about being successful with clients, we have a consultant who's successful with clients or potatoes, I'm not sure, that'll make sense in a few minutes here. We have with us today, Matt Barcum, guest recommendation from Charles Landon. So, Matt comes to us from Ohio with an interesting background that wandered from DevOps into PM to product management, but always with the valence of organizational design wrapped around everything. Of course, he's also into doing and teaching raised dirt farming now, because that's what you do when you're a product management guy. Hello, Matt, how are you doing?

0:02:14.3 Matt Barcum: Hey, doing great.

0:02:14.9 KL: Where are you calling in from? Are you actually in Ohio right now?

0:02:17.4 MB: I'm in Ohio, I'm just outside of Cleveland, also known as southern Toronto. Sorry.

0:02:25.5 KL: I did mention the raised dirt farming there, please tell us what's going on there. The man is raising potatoes for a year, he's got a product goal here, which is to grow enough potatoes to feed his family for a year.

0:02:34.6 MB: It's important to have a product goal, so yeah, actually... So we bought this place, we run a... So we got about 20 acres, we run a horse stables and riding earning. We've got about 20 horses with us now, and we always like to say like, from the bottoms of your horses to the bottoms of our hearts, we thank all of our borders for our aged manure, for our vegetables. But yeah, we do some permaculture stuff, so we have... What we've been focused on mostly is closed loop systems for growing all the vegetables, our family of four eats in a year, so we've covered greens, tomatoes, we had onions last year, and this year is the great potato experiment. So, if it goes wrong, we'll have a lot of batteries for clocks.

0:03:15.0 KL: That's sticking the electrodes in the potato tip. [laughter]

0:03:18.9 MB: Yeah. They don't move around as much as chickens. But in terms of chicken, they...

0:03:22.1 KL: But Mike's kind of tracking...

0:03:23.3 MB: Mike's tracking with you, he's got his club of the most expensive and fancy oils delivered to his house to feed his family for a year, so yeah, you guys are just similar.

0:03:31.7 MH: And that's like the opposite end of the spectrum on sustainability. That's like the one thing I treat myself to, even with all my electric vehicle passions and solar panel systems, everything. I fly really good olive oil in from all over the world, fresh from the harvest and only feel a little bit guilty about it.

0:03:49.6 KL: Do you need any glass bottles, Matt? He's got a lot.

0:03:54.2 MB: We can make some chilli oil together, maybe there's a partnership in the future.

0:03:56.2 KL: Well, so speaking of intersections and partnership, hey Matt, when we talked before, product management and your whole issue around our interest in organizational design, what has put those two together for you in your mind?

0:04:07.1 MB: There was a problem and then we'll solve it. I guess what got me into the org design stuff was just change. I guess, maybe just change management in general, but through the lens of, whether it was engineering and improving those things or development practices, and then stumbling and bumbling my way into a project and then product eventually, trying to help... Just trying to get those things going in larger and larger companies and realizing that there's lots of things that can be changed, but almost nothing was taking... Even places that were saying they were taking a true whole systems approach and was never really were. And so, I was chatting with a buddy of mine and he said, "Hey, the stuff that you're into is called social systems design and at

companies that's called organization design."

0:04:48.5 MB: And I'm like, "Oh my Lord, this is an amazing thing." So I kinda bumped into something called the Galbraith model, J. Galbraith's star model. I like it 'cause it's simple. McKenzie has one, which is some number of S's, six or seven or something. But yeah, I like it, because it's a nice way of thinking about all the interconnected major pieces of an organization when you're trying to enact change, you're trying to help companies become more product-oriented or change how they're doing things to improve the flow of their product delivery, it just kinda fits.

0:05:19.2 KL: That seem to me that when you said it, I thought was interesting, 'cause I looked at organizational design as, it generally is something you have to do, or... It exists whether you choose to manage it or not, right? It platonically exists, there are some design in organization, but you hit at it from the idea of getting people to be more product-centric or a product management-centric, was kinda thing, as a way of designing it to allow that functionality to happen it sounded like. Was that what you were faced with, organization is not able to see their product lifecycle or their product management capacity, therefore, they needed to do change and therefore you found a model to help them direct them through that?

0:05:55.2 MB: Yes, I like companies that are trying to become more product-centric, only because most companies sell products or they sell services or both. And so, it makes sense to orient your company around the things you sell, because those are your market-facing value streams, and of course, the bigger you are, there's more complexity, sometimes those things are interconnected, adjacent, you've got cross-cutting concerns, constraints, all that stuff's great. But it makes sense to think about your products as the thing to center your value flow around your company. So getting people to change, especially if they were... If they're trying to become more product-oriented, I had found that a lot of times companies are more sales-oriented or sales-driven, or more technology-driven or project-driven, and those are all fine things too, it's just they all... Especially when you take any of those things and you turn them into your company's operating model, I think those things then can sometimes rub a product-oriented operating model the wrong way. Meaning, you can just cause extra friction and probably the worst thing any company can do is try to have multiple operating models, 'cause you should be one thing.

0:06:57.5 MH: What I'm hearing there a lot... And tell me if I'm tracking, Matt, is there's so much focus, I think even in some very successful companies, or companies that we would regard as high performers, on the cost side of the equation. So, even saying like, what's the most efficient team design? Doesn't... That's talking about efficiency for internal... How we manage internal resources, it's not... Studies didn't even mention the outcome and the value we might get from that outcome. And so, even when you say product, you know, product orientation or product-centric teams, that starts to hint at something you might actually sell and get value from. But even there, I think, so much of the sort of product team orientation, especially coming out of the Agile and Lean communities the last decade or so, is all around this sort of efficiency, what's the most efficient team size to make communication easier? What's the most efficient self-management approach or even employee to boss ratio or all that sorta stuff? And again, that's all on the... I call it the input side, not on the outcome side. Do you think that makes sense?

0:08:03.3 MB: They're not even outputs, they're only inputs for sure.

0:08:06.2 MH: And why not organize organizations or design organizations for the desired

outcome they want?

0:08:12.9 MB: My real answer is, because organizations exist to stroke the ego of a few people, that's what they're trying to achieve. That's pretty cynical, but maybe maybe a little truth-y.

0:08:24.1 MH: I'm sure you've come across genuine servant leaders that place the needs of the organization above them... You know, their own needs.

0:08:31.5 MB: Always for sure.

0:08:33.1 MH: [chuckle] Not even one.

0:08:35.0 MB: Even this idea that business exists to produce, I mean, sure, maybe they exist to produce profit, and maybe that's what the investors or their shareholders or whoever want, and I'm fine with that, like, people should get back their investment, but the reality is that's like, about as myopic as saying a forest produced wood. Well, I think companies exist for a lot of reasons, organizing around product, I think has become... I don't know, I think it's almost become an interesting shorthand for a lot of things, because when you look at what product tends to me now, in the software space, sort of the Agile space, although I might say some of the Agile space had to be drove along kicking and screaming move towards products. You know, I think... Yeah. It's just been...

0:09:15.9 KL: Now they make it sound like they invented it.

0:09:19.2 MB: Right, well, 'cause it's got sucked into safe, so it's clearly part of it now.

0:09:23.4 MH: Well, what about the claim that Agile actually only work... That its real purpose and its real value is in the idea of something that's more innovative or startup, and that it should never have been taken to the level of safe or in fact shouldn't be used laterally to other ideas?

0:09:37.4 MB: I think that's just ridiculous. I think trying to figure out where Agile is, reasons a good fit. I mean, Agile... At the end of the day, Agile is a sensing mechanism to some extent. There's lots of practices about how to do for this thing from like, Continuous Deployment, Release testing, sprints, flow, all that stuff. Those are all methods and practices, and that's all great stuff, but anything that's about incremental and iterative is about risk reduction, it's about trying to... You don't know exactly where you're going, and so you wanna take smaller steps because you need to be able to adjust course as you bump into things. I think whether or not something is a good fit, like, it's too much on a put... A certain kinda peg in a certain kinda hole. Does it make sense to do for start-ups? Probably, but what if for whatever reason you started up a business where you had absolute certainty? Well, then Agile wouldn't make sense for that startup because you have absolute certainty.

0:10:24.2 MB: And what if you're doing ERP implementation, a standard ER... I'm not even sure that exists, but let's assume, they tell you it exists and they try to sell you standard ERP implementations, in theory, ERPs do a constrained and confine thing. So there should be less uncertainty in that, so I think it's fine. And I think then we pull from manufacturing and we like to beat up construction, but it's not like those things are riddled with certainty either. Like, if anybody's ever...

0:10:50.1 KL: Right.

0:10:51.6 MB: Had a house remodel, they might know that there's a little uncertainty involved in that, or manufacturing as well.

0:11:00.4 KL: Well, let's break away. I didn't wanna get into the Agile discussion per se, but I was glad we touched on that, but I wanna go back to your model for just a second, so people can understand. So the Galbraith model is one of the 1917s models. It's kinda foundational. The good doctor was considered a foundation of thinking about organizational design. And then in just highlight, it has the five-star, the five pointed star strategy, structure, business process, reward systems and human resource management. Now, there's a whole podcast on whether humans should be called human resources, by the way, but we're gonna leave the 1970s to the '70s there. In those five, how did you start seeing them and how do they matter? Because to me, they're not actually... They may be the five, let's just say they are the five, and we won't challenge Galbraith for a second, but there are definitely apples, oranges and walnuts.

0:11:45.3 KL: A couple of them, like reward system is very different than a concept of process to me. How do you see them, what parts do you pluck that we should be paying attention to as we try and orient an organization or a team around something like a product?

0:11:57.9 MB: It's a good question, and it is meant to be kind of... I think of it as a whole systems approach for whole businesses.

0:12:03.1 KL: Yeah.

0:12:03.6 MB: I think it's important to still view most change, even at a team level through that structure. Also he has changed it and updated, he's written books since the '70s, but even some of his more recent books, I don't know, I'm a pretty... I take some of that star model in detail very liberally, but the strategy structure rewards people and processes, I think it's important that there are apples and walnuts and flour, because you need all that to make a pie, right?

0:12:27.3 KL: Right.

0:12:27.8 MB: So, I think his point is all these things are interconnected in a way, and if you need to... If you're trying to achieve an outcome and the idea that all these things are in theory directed towards the strategy, if you're thin in one spot, you might have to pull a lever to compensate for it somewhere else. And I think the two things... First of all, org design, there's a whole field of study there. Multiple fields of study there, and I think too often, especially in corporate America, we say, org design, and that just means like, we're gonna draw a new hierarchy. Like, yeah, we got a new tree on the wall. Awesome. It's way more than that. But I would say that the two things that I see being left out of most, you can call them change initiatives or product transformations or whatever, is structure and rewards. I think those two things will... I think it is Bunge who said like, structure eats strategy for breakfast.

0:13:13.8 MB: I think strategy is pretty weak in most places, honestly also, but assuming strategy is even directionally un-interestingly set, like, we wanna make more money, that's fine, we tend to not be structured or have our reward systems set up to do that. And then the process is, like, we might

think process, because especially in the Agile community, it's like, "Oh, is that stronger corn barn?" This is more like key business processes, like, what's your staffing process, what's your procurement process, how do you do funding and budgeting? These aren't what Agile methodology your teams are using, these are key ways, and those things have to amplify the other two things, like processes... Key business processes will amplify or dampen those things.

0:13:52.4 KL: I wanna hit on some question there, but to bring Mike in on it, when you say structure, you just challenged the whole idea that the org chart means design, but yet one element of design is structure. I wanna make sure I'm using the word the way you're using it. So I'd like you to tell me what you mean and think about by structure, and then based on an answer, Mike, I want you to think if it's possible, you're focused on flow a lot, I wanna get the connection of what he describes as structure to what you would say as helpful, not helpful, or irrelevant to flow. Go.

0:14:19.8 MB: Alright. Well, I think structure is multi-faceted, I do think it can be hierarchy, because in organizations where power exists, which is all organizations power structures matter. I think that we also have to... When I do it, I will actually star engagements that are doing true org design by doing network diagramming of their organization as a social system. So, I diagram all the parts, which is the parts in a people system or people or groups of people, but I look at connections like hierarchy, like, whose is whose boss? I look at things like workflow, I look at work exchange, I try to find their soft boundaries. And when I think about the structure of a social system, I took a lot of my original thinking from an older book by a lady named Glenda Eoyang, called Facilitating Organization Design. And in that book, she has a containers, differences and exchanges model, which I think is...

0:15:07.9 MB: She's got a newer book out, which I haven't read yet, but I really like that model for understanding how to think through the different ways, the parts of a people system can be interconnected. So, structure can mean roles, structure can mean how we design teams, structure can mean how like... I like to look at value streams, and I like to look at platforms or horizontal or Cross-Cutting Concerns and treat them as constraints within the system. So that might see you Mike for some of your flow and constraint stuff.

0:15:37.8 MH: The question that keeps popping into my head is To what end? So if we say, Oh, we want better connections between people and we want chances to work together and establish camaraderie and benefit from the combination of all our multiple skills that we bring together as a team. To what end? So, because I've worked for a lot of organizations or consulted for a lot of organizations that have a phenomenal culture of, we like each other, we have each other's backs, we all wanna succeed together, we're a winning team, etcetera, etcetera, but then when I look at the actual results, it's kinda middling quite often. And people, when they talk about the goals of their organization and the things they like about their organization, it sounds like the same sort of thing you might say about your knitting circle or your book club. So I'll give you an extreme example of what I'm talking about.

0:16:22.7 MH: I had a client a few years ago that achieved amazing dramatic improvements, and they did it in a very ugly way. Like, from an organizational design point of view, I'm sure there's 15 things that were the absolute wrong thing to do. And in fact, I could name a few of them, not even being an org design expert. They threw a bunch of resources at the problem, they didn't provide any sort of window for any kind of organizational orchestration or planning or the high level flow of work, or we're gonna form sub-teams or anything like that. And they just said, this is the number

one priority in the entire organization right now, figure it out. And so, there was chaos, there was too many cooks in the kitchen, there was, which way is up, and they had all of that stuff that from an org design point of view or an efficiency point of view was horrific.

0:17:07.8 MH: But they took a 15-month project and knocked it out in three months and achieved millions of dollars of benefit for their company. And so I always get back to, well, there obviously has to be some design for a flow, like in that case, they achieved fantastic speed gains compared to their normal. But I would contend their normal was so terrible, because organizations are hardly ever designed for flow, that even a cluster of a process [chuckle] delivered massive value improvements.

0:17:33.4 MB: How do I sort to the cluster of how most...

[laughter]

0:17:35.0 MB: Organizations do design?

0:17:38.2 MH: The debate on...

0:17:40.3 KL: Mike, let me add a little bit to that, there's a whole body of theory around this too, which is that I might challenge a little bit of where you came from Matt as well. Well, no, you're looking at all the parts. The question is, what is the best design? I think Mike is challenging that there's not one general idea about what a design should look like, it really should be to what end. Always to what end. The theory I wanted to throw out there, or I won't get into theory, but the idea is that there's an organizational life cycle that at different parts in different types of problems, there's different types of ends that... Or different ways to get to the end that are needed. And so, that actually changes your design, and if you look, like I look at information flows.

0:18:15.8 KL: It's not just who reports to who, but when you look at the... I love silos, silos allow a affinity, but you have to put the hoses between the silos, right? You gotta connect one to the other. And looking where those are, there's a theory, a body of knowledge around organizational lifecycle that at different stages of an organization's maturation, within its ability to perform its mission, to get to its profit, it changes. It has a different set of needs, and those are reflected in the design. So there is some theory behind this, it could suggest that a chaotic world, Mike, might be absolutely appropriate. For example, if you're about to go out of business and your problem is to get more dollars on the table fast at any cost, possibly to be made up in lawsuits later, because you have people saying, [laughter] "I was abused so badly, I'm gonna sue everybody in the company." So you may have to give some of the millions up or you may have to fire that CEO. And the other claim is is they might have different CEOs at different stages of life cycle. So at any rate, Matt, what you brought up is there are different components we have to look at.

0:19:15.1 MB: Yeah.

0:19:15.7 KL: And that it's not just the hierarchy, the org chart, but rather there are some other aspects. I tend to think towards culture. We are talking about designing for flow, what is your response around that, thinking about that, and then I would like to get into reward systems, because I think that's the other interesting thing and how those map.

0:19:33.0 MB: My background wasn't like... I feel like an oddball in the Agile community, 'cause I learned the Lean years before I even knew what Agile was. So there's that. So, I've always thought about flow first and value streams and it's always awkward to remind people that Lean is actually about customer value and not about waste removal and "Oops, did I say that out loud?" and it's not about smaller batches, it's about optimal batches or sons of batches. Sorry, I was just kidding about that last one. So, I love Lean, I love flow. I do think we have to be a little bit cautious with regards to certain aspects of flow, like the application of theory constraints to people systems, but in the same way that you can have a managed forest to produce wood, but a forest produces a lot of things, even a managed forest produces more things than just what it's... It is a whole ecosystem.

0:20:20.7 MB: I guess to that end too, even though like from a system's perspective, I like the Galbraith model, the whole US camp of org design has that sort of Galbraithian strategy systems aspect, but kind of the UK trist camp of org design was all about the socio-technical aspects of org design. And I actually think both camps get together and produce something amazing, 'cause systems thinkers are really good proctologists, they consider the whole, but they also consider the person.

[laughter]

0:20:50.0 MB: So, and then it's things like establishing boundaries for our rationale, understand interconnections and... Yeah, there's a lot of corollaries there, weirdly enough. But the idea of a socio-technical stuff, like the TLDR is just... To me, that feels like that's a great way of thinking about the how. Some of the stuff you were mentioning, Mike, about the chaos is like to be intentionally bringing the right people to the table at the right times to make sure we have the right level of involvement, when people first approached to doing either the design or the execution of whatever change, and it feels like maybe that was let go and that's kinda dovetailing into some of the culture-y reward-zy stuff.

0:21:23.1 MH: I hadn't really thought about this much before right now. So, just thinking out loud. So, it occurs to me that in that case, while there absolutely was chaos and inefficiency and probably violated all sorts of rules of good org design, and of course, if they were to do the same type of project all over again, hopefully they wouldn't start from the same mess, right? Before they figured out how to get themselves organized. But the notion of the purpose was clear, it was massive amounts of money every day early we can deliver this, and massive amounts of money lost every day, we lose. Not a single person was incentivized with a bonus for early delivery, they even asked me if I thought that was something they should do, and I said no, because I said, point to the fact that people want to help their organizations thrive, start there. If you wanna give a bonus after the fact, that feels great, but this notion of now I expect it, if I can work heroics and I'm gonna burn myself out and be nasty to my colleagues and on the interest of my bonus or whatever.

0:22:19.9 MH: So the other, there was some reward system in there, but in short it was, the purpose is clear, the organization has very clearly backed up that business objective with prioritization. Like, I am putting all projects on hold and re-deploying all resources to this one thing, get it done. And I think when teams are given that sort of clear purpose, clear unity of purpose, strong motivation to achieve the aspiration and really help the organization thrive in this case, and absolute clear prioritization and focus from the organization level to the individuals, amazing things can happen. And we've heard stories of how people respond in crises, not always well, by the way, but I'm curious, how you see all that along a spectrum of good versus bad org design?

0:23:07.0 MB: Good or bad, I don't really believe in those things, or they're moralistic judgment that's based on your own perception from your own world models, but aside from that...

0:23:14.0 MH: More effective or less effective? How about that? [chuckle]

0:23:16.4 MB: I think it's more like a design to me is something that's done with intention, so that means you have to do it on-purpose, otherwise I would say it's not designed. I think there's a lot of organizations that aren't designed. Even though we might say, "What's that old quote?" Like, all organizations are designed to produce exactly what they're producing or something like that. I would say if you haven't put thought into it, it's probably not designed, but that's kinda hard, 'cause almost everybody thinks they put some thought into it. I think too like there... Sounds like from your story, there was such a strong rotation on singularity of purpose that other aspects, at least within the Galbraith model, if nothing was promised or threatened to be given or taken away in the rewards thing, and if there were some of the soft aspects of rewards that were at least neutral, like you're just showing up to your job and that's kinda what's expected, then great, then the rewards aspect, we've got a strong strategy, like strong direction, alignment of purpose.

0:24:11.5 MB: Rewards is maybe neutral, so it's not adding friction or it's not amplifying processes or either violated, but in alignment with the strategy, so we either over-rotated so much on strate... Not over-rotated, but we had so much singularity of purpose that any process violations were fine, people were either brought in or consulted, but it sounds like they either were helping make the thing move forward or they weren't part of what was happening, and then the structure, it sounded like at least temporarily, the structure was what needed to be. It sounds like this thing is so important, they got the people they need, they got the skills they need, they got the resourcing they need, and it just went. So from even just using a star model to describe what was going on, even as a temporary design for achieving that chaotic thing, it sounds like you had such a strength on the tip of the spear, the strategy, that all these other things were either neutralized or amplified what it was trying to go towards.

0:25:04.1 KL: Well, let me make a suggestion in here though, I would say that there's two things happening there. That was because at that moment, I'm gonna go back to life cycle, at that moment, that's what they needed to do, but I don't believe that it's sustainable. I'm not sure that that model is repeatable past that first goal line or how many times passed the goal line. To put it back into a concept of design, Mike, I would say that they were getting some sort of utility, some reward about being successful, and that's your point, if we all are pointing at the goal and we're all excited.

0:25:32.1 MH: Yeah.

0:25:35.9 KL: But sadly for me as a CEO, a small company that it is, it turns out that people cannot be compelled to do that and propel... I don't mean compelled force, I mean, energized to do that repeatedly, constantly, with nothing. They also like things like, whatever is the newest thing to talk about, work-life balance, work from home, work from office, hybrid work, a pat on the back, ceremonial, right? We know that ceremony is a great way to reinforce behavior, so you have to take the time for ceremony, whatever that is, and that that changes again, life cycle, it changes over time. Here's what I would have advised. It sounds like they were successful, but just what you just said, when they asked you about the bonus, I wouldn't have said, "No, we're giving you... Not that we're giving you a bonus, but we're all aimed at this," as you said, the rotation around the singularity and

because the better we do that, the more money there is, that is what we will all share, touching on the compensation needs of humans or time off.

0:26:29.2 KL: In other words, it's not that if you get your part done earlier, you're done earlier, you now get this bonus at a thresholding level, right? At a tipping point level, and if you beat it by Tuesday we can give you the check. But rather if we as a group are more successful over time, which will be defined as profit or cash, probably revenue, we will share in that. And our sharing is larger when it is larger. Because in fact, people have a compensation need. I agree with you about paying them for a specific tick-tock. Because if you're just trying to click the thing, 'cause there's some evidence that knowledge workers are not more effective when you pay them for stages right now.

0:27:10.2 MB: And in fact, the Book Drive summarizes a lot of that research behind the backwards movement were teams that were just asked to achieve an objective and have fun with it, often almost always in fact, outperformed the people that were told they'd get \$5 if they were the fastest. Even if it was only \$5, it changed their behavior in the wrong direction.

0:27:28.9 KL: In the wrong direction for people that are trying to achieve the singularity of goal. Now that was at a crisis moment, and you set it up as, this was at a very specific moment in time for a company that had strategically walked its way into a wrong place, probably. The root cause analysis there is the CEO 18 months before, I don't know what you're talking about, but I'm telling you that's the answer already, right? [chuckle] Somebody made a bad decision earlier in that process or was overly bureaucratic, or the accountants had gotten hold of the organization, were too busy being efficient, not effective, right?

0:27:57.0 MH: Honestly, in this case, they didn't bring the accountants in soon enough.

0:28:01.1 KL: Oh, they didn't know they were bleeding gap.

0:28:03.0 MH: They didn't know how bad the problem was. They knew it was a problem, but they didn't know it needed to be the number one focus.

0:28:06.7 KL: So tell me about your product management experience with this, Matt, to help give us some guidelines to PMs who are listening to this. So sitting in the environment, they go, "I don't know if I'm in a bad situation or a good situation and now would I improve it?" You were talking about getting that idea of focus around something in the case of products, it sounds like the way you see it, and you realize that organizational design can help enhance our ability to get there. What have you observed that worked or didn't work?

0:28:33.6 MB: So I think... Well, I mean, this is... It's always... As a project manager, it's always a challenge 'cause you almost have no direct authority over anything, so...

0:28:42.4 KL: Anything. [chuckle]

0:28:42.5 MB: One thing that I do like to try to encourage most people, is like, if you've been given a stated objective and if you use something like a Galbraith model or the McKinsey mall or whatever, now you have at least a model or a frame for trying to suss out where friction is gonna come from. And if you are going to experience friction, if we can try some way of capturing it with

a sensing mechanism or measure it or somehow... Because then, if we can come back and help tell the story about why some aspect of our organization design is working against us, whether that's just to achieve flow for continuous product development, or whether it's to achieve the outcomes of a temporary project, it sorta doesn't matter, if it's friction towards a goal. That's one of many models that you can use to start helping people say, "Hey, these things are working against us." And I actually think because it's organization design overall, I think especially for that, the topic of sustainability, like, you might be able to... You might be able to look past reward systems or structures temporarily to achieve some heroic effort, but if you're gonna ask people to come back and do it again and then again and again, designing your organization to reduce that friction, I think is pretty crucial.

0:29:50.1 MB: I just wanna touch on just one little quick aspect of rewards, 'cause you guys have both brought up the monetary aspect of it, which is the obvious one, and you mentioned Dan Pink, and of course, Pink talks about intrinsic and extrinsic motivators. So I think the rewards system, it's much more than just bonuses or promotions or those things, it's... I think actually the more insidious ones are the intrinsic ones or the invisible ones that are harder to see. What does it take to be thought of as doing your job well? Do you like working the people that you're working with and is the change... The thing that I'm gonna do take me away from that? Will I continue to have whatever power or influence I used to have? There's all these things that matter to people that maybe we just call that the culture or the social pressures, or the norms of how things are done.

0:30:37.5 MB: But I think those are the things like, oftentimes, and maybe project managers will appreciate this, were often actually evaluated based on, on time, on budget project delivery. Sometimes that can feel very counter-intuitive to being a servant leader. Put your team first. Of course, lots of people, especially people that write things will say, "Well, you can do both, that's actually the best way to achieve on time, on budget project deliveries, to be a servant leader." The problem is, is when you go into an organization and you see that the trend is, no matter how good of a servant leader you are, people that ship get promoted, that becomes a telling story about what behaviors are really valued, what your cultural norms are and what some of your invisible reward systems are.

0:31:22.7 KL: That's what I do when I go in, I ask people, "What gets you promoted around here? What gets you your attaboy?" Where I observe... So you guys talk about friction and flow, right? When you're thinking of the processes, I see it from a different perspective coming in actually for my political science background where I picked this up, you have your formal, your objective system. You can think of it as the org chart that says, "This is who is in charge, and then this other person is in charge, and then this other person is a little bit in charge," right? And then there's the normative system. Though, what actually happens it's almost like this is a print, and then there's this whole wall behind it about what really goes on. And when you start asking people how you really get promoted around here, people will often say, "I work for a really great company." I say, "Really?" So tell me about that match. That's the friction that I see between the two layers. When I see that friction, that tells me there's an underlying problem around design to any purpose, which is the stated way you get promoted here. And I do this when I'm talking to project managers in groups, like if project management chapter is giving a speech.

0:32:23.8 KL: There's always someone who will raise their hand, I'll say like... People will say, "I think my org matches what we do. Like, I know the rules to get promoted." I'll say, "Really?" Do you have any cases or how often does it happen that people around the water coolers at work go,

"How in the world did he get promoted?" That should... How did that happen? Now, that's one thing I have noted is what is obvious versus what's not obvious, and how much those align. There's always gonna be some variation, but if those are radically out of alignment, that's where I think some of the designers of systems, the ecosystem, are missing the point that they're missing what the real culture is, is not what they claim their imprint of the culture is, that's one. Two, even in what you just said that I thought was interesting, that somebody is on time and on budget is missing the point again, right? But if you have an organization that rewards that efficiency and demands that efficiency, then it would be completely inappropriate to do servant leadership, if that's what's being awarded, we would all now... I think where we've arrived after a year of elevating the conversation is, if you're worried about hitting it on time and on budget, you may have missed the point about the larger goal.

0:33:27.3 MH: What I would add to that is, if you originally set your project baseline for maximum ROI. And if nothing has changed on either the cost side of the equation or the value side of the equation for the entire duration of the project, then on scope, on schedule, on budget is great. But I'm not aware of a single time in human history that those conditions have ever been met.

0:33:50.8 KL: We also know that the world of dependencies is a problem, right? This takes us to some of the goal ride in and the Deming stuff, is that there's just too many in our dependencies for anything, to be able to plan that well. How well can you know that algorithm?

0:34:01.4 MH: Let me actually see if I can kind of on the fly as I think through this, connect the human system stuff and the psychological flow or whatever terms you guys use there, with where some more science-based methods can work. Where they don't put the human being front and center, but whether by design or by accident, and I'm not really sure which, the human side can be greatly improved. So let me give you an example, client long time ago is a doctor's office, three orthopedists that were in partnership together, and they had had a downturn in profit. That is a pretty market downturn. Why do you think that happened? They said, "That's what's killing us. We went through all these efficiency studies and we saw like we had more orderlies than we needed, 'cause most of them were standing around and we had more patient intake clicks than we needed, 'cause most of them were sitting idle most of the time, and we had more insurance coders and more OR prep nurses," and you know, you name it.

0:34:54.3 MH: "And so we thought we were doing this great efficiency thing by studying all that and kind of right-sizing things, or so we thought." And of course, what it turned out was the cadence of value delivery is ultimately set by the surgeon's ability to complete surgeries, successful surgeries that people actually pay for, and these are optional surgeries that weren't even often reimbursed by Medicare or any kind of insurance. I said, "Well, obviously, all we gotta do then is figure out what your three surgeons are waiting on," and of course, they were waiting on patient intake, and they were waiting on the OR to be turned around by the orderlies. And they're waiting on... And I said, "So actually, you want excess capacity everywhere, except where you are, because you're the constraint." And when they did that, not only did their profits double within three months, but then people understood like, "Okay, my job is in service to this larger goal. I subordinate myself to this larger goal. If I'm sitting idle, I'm not criticized for it or told to get busy or whatever else we used to reward. I'm told that we all will thrive as long as we keep focused on that one thing and keep it stable and keep it simple, just ignore, everything else is noise."

0:36:00.5 MH: And so, I've seen really great human side benefits to all that when people are like, I

used to hate subordinating my interest to that guy because he's a jerk. And it's not my job to get him his coffee, or... Like, that's ridiculous, and that's a status question and all that. But if it's, "Hey, if we all figure a way to lighten those guys' load and help them drive up the cadence of value delivery, we all thrive." Well, then I don't mind subordinating because I can see how that's in service to the larger goal that I actually am a part of or readily want to be as a normal, rational human being.

0:36:31.8 KL: Key to me would be that there's a feedback loop to give them the human reward, that's where I was hearing you, Matt, is about the reward system back to them, which is not necessarily the money only, but being really good orderly in that context to improve the flow, does that get you promoted if promotions matters or get you more time off or get you more money, or get you or get you or get you? What is the return cycle?

0:36:52.6 MB: Then we consider the enjoyment of your job. Like, the orderly that feels they're being subordinated, but doesn't want to be subordinated isn't gonna be a great orderly for very long in my experience. I've not met a ton of orderlies, but that general problem, like, if a doctor is gonna treat me like shit and expect me to just go get him his coffee, and I don't feel that that doctor and their profession is respecting me in my profession or service, you can only put up with that for so long.

0:37:20.9 KL: That's right.

0:37:21.5 MB: Or you realize like, "Hey, I'm just gonna kinda check it in," maybe you're that kinda personality where that thing can roll off, but for those who don't have that personality, maybe what winds up happening in a small practice like that is the people that they tend to stay in the subordinating roles are people who don't mind the subordinating. Other than that, I agree with what you're saying, like, if more people were thinking holistically and from a systemic perspective, we would understand that we should all be working together towards the constraints on the value delivery and if that's in this case, doctors, that would make sense. But I do think those two things have to go together.

0:37:56.0 MH: Yeah, and to put this into a sports team context where the analogies can often be clarifying. If I'm the best goal scorer on the team, like say for a hockey team or something, well, it won't be long before the opposing teams figure out how to double team me or triple team me. And if I never even learned how to pass the puck, our team's never gonna win. I might still find a way to score goals and skate around five guys that are trying to five-team me then, right? But the team just can't possibly achieve the level of success. And again, so that goal scorer has to sometimes pass, subordinate their own selfish stats in this case, for team success. And there's lots of interesting examples of phenomenal goal scorers in hockey, for example, at the highest levels, who learn that only 10 years into their career, if they're even lucky enough to have a 10-year career, right? [chuckle] And their numbers shoot up, not just the team's numbers, but then it just... Now it takes the double team away and I don't have as many defenders to overcome, right? Because they're worried I might pass it. And so the subordinating to the team's interest often, if not always, really helps achieve the individual goals too.

0:39:04.0 MB: They're definitely not mutually exclusive, but I also think people have to see...

0:39:08.9 MH: Yes.

0:39:09.0 MB: How their work is being valued and how it contributes.

0:39:13.3 KL: That's what I was getting to. You have to have a feedback loop. They have to see how that comes back to them in a meaningful way for whatever couple of things, that individual is wired for, what the general culture is for, and does that match what is formally stated where they are in the life cycle of their organization? I believe is another question. I think there's a lot of fields in here. One comment I have Mike, that I get it, but I don't get it. I believe the constraint terminology is part of our emotive problem here, it's about subordination. I might call it fit, but at any rate, it is a form of subordination, but that word has such a laden thing, which takes...

0:39:47.0 MH: That's true. What if we thought of it though as servant leadership, because that's really all we're talking about is, "I am in service to something larger than myself."

0:39:56.1 KL: I'm in service to something larger, and I think also though... But that does tip on something that I wanted to come back to you, Mike on. How much do you see the emotive mattering in these organizations as you try to do change? Right there, that could be terminology or a sense of things, or it's how the organization talks to it, individual feelings, feelings of bruise.

0:40:14.0 MH: Of course, it matters massively, right? I think some... I forget who said this, but during the Enlightenment, the thought was, "Wow, we're logical beings who sometimes emote." And I think now more people are clear that no, we're emotional beings that have the capability for logic. And oh, by the way, if this is a little off topic, but I'll tie it in in just a few seconds here, great book just came out called 'How Civil Wars Start And How To Stop Them.' And one of the learnings I took from all the research that particular academic put in her book was, people will tolerate all sorts of things, they'll tolerate hunger, deprivation, sadness, depression, sometimes even isolation, and all these other things that most of us would just do anything to avoid. They'll tolerate all that stuff before they'll tolerate a perceived loss of status, and the demagogue politician that knows how to tap into that and fan the flames on that, like, "You have lost status, I alone can help you regain it." That kind of emotional stuff in organizations like, I know for a fact I never paid close enough attention to, "Hey, are the things I'm recommending going to harm people's perceived sense of status?"

0:41:24.8 MH: Because almost always when a consultant is brought in or a coach, the answer to that question is going to be, yes, there is some... Without that person in the mix, yes, I don't have total control over how everyone perceives me in my sense of status and stature among my peers, but I feel like I've got more control over it than this wildcard that just showed up. And so, yes, I'm in service to the larger goal, but not at the expense of a loss of status.

0:41:48.4 MB: I think loss of status can come in subtle ways too, 'cause as you were just saying that, it remind me of... Was like a documentary in psychology stuff a long time ago, and it was like the number one indication of failed intimate relationships was condescension. And the idea that if you condescend to your significant other, that's effectively a loss of status, you're treating them as a sub-person to you, you're condescending to them.

0:42:13.9 MH: Yes.

0:42:15.2 MB: And I think that shows up like, managers infantilize their individual contributors as this...

0:42:18.9 MH: Oh, yeah.

0:42:20.4 MB: Empirical parental, I'm the manager, so I'm the dad or mom, and you cute little devs and designers, you don't quite get it.

0:42:28.1 KL: Well, hold on before you go there. I want you to share that story, but I wanna make... I wanna put a pin right there, a big blue ribbon for our PMs listening into that. That is, I would say, a cultural problem with project management as we often end up talking about it, particularly when it's just us chickens in a chapter meeting and all talking. It's the idea that somehow we're the mommies or the daddies, and I don't think we're bad people for getting there, but it's part of learning a discipline and probably indicative of a discipline that has concerns about its own identity, just saying. But I believe that is a trap for us and something to be careful of, you are enabling SMEs to be effective, you are not the one directing people, and that becomes a problem that I think we see. One of the things that I mentioned that I have felt, I call it the Hamlet question, to be or not to be?

0:43:14.0 KL: I call it everyone... Different psychological studies show different things. People want to be valued. You just gave me a nice thing by term on it, it is a status problem, and also as you said the psychological people want to be valued, we know that. They also want to be viewed as competent, "Take me for how I can be". And we know that they want to belong, and I believe... I just wrote down my note. I think those three all equal status in an organization, to the extent that I believe that those are the three to be questions, be valued, be competent and belong. Losing any of that, would be a component of status. I'm now bundling those as status for a second. If you make people not feel valued, not feel competent, that's a condescension. Or not part of my group, you got a problem.

0:44:00.8 MH: I'll tell a different story now that you just triggered with this whole notion of belonging. I had a client years ago, there's a large state university, where the graduation rate among first generation college students was quite poor, even worse than the national average, which is also quite poor. And they said they're like, "We need to do something about it 'cause whenever a student drops out, we just lost two years of public investment, so even though it's not 100% funded by taxpayers, there's a good chunk of money that is. So let's get good ROI on it." And at the end of the day, yeah, we tried all sorts of things and experimented with flow concepts and all sorts of other things. At the end of the day, the thing that drove the biggest improvement was the ability to intervene early in a student's experience, sometimes even before they show up on campus, this is pre-COVID. And make sure that they felt like they had achieved that sense of belonging. If they didn't quite feel that sense of belonging, and sometimes it was silly things like learning the fight song.

0:44:58.2 MH: [chuckle] Give them free football tickets. I might not like football, but if it helps me feel like I belong and there's no cost impediment, and maybe tailgates are kind of fun, maybe that's an on-ramp to belonging, and especially if I'm a first gen college student, I'm often socio-economically separate from all these other privileged kids, whether it's from the urban rural divide or the racial divide or any other divide you might point to. All of that was pretty easy to overcome, surprisingly to me anyway, if they just did a few things early on to enhance the sense of belonging so it kind of reinforces your point, Kendall.

0:45:33.9 KL: Well, I wanna highlight something there too, we had a podcast on product management, I invite people to listen to with Tom Klaff, the guy at \$400 toaster. I asked him in an earlier podcast two years ago, you can hear what he thinks about project managers, which he subordinates to product managers, by the way, but there was something very interesting, he said, I said, "How do you maintain that focus?" And he said, "Ceremony." It's about having ceremonies. Now, he didn't mean big graduations ceremonies, he meant common behaviors among groups, and that goes to what you're saying there, I believe that can reinforce what's valued and what's viewed as rewards for competence, but it's also how people feel they belong. I'm gonna go with the three still there around status, but it's a role of ceremony, so I wanna bring that back to a PM. To me, that's one of the advantages in my observation, and I don't know a lot... I genuinely don't know a lot about Agile, just what I've seen, but I suspect that all these stand-ups for all of their really important technological input, and I believe the very fact that at 8:15 in the morning, there's a set of rules and everyone follows them, in and of itself is what people are designing for. I believe the very concept of repeated ceremony matters here. They could probably talk about coffee and bagels for 15 minutes and there would be some value in that of knowing that that shows up.

0:46:49.8 KL: I believe the ability to sing the same fight song matters or whatever matters in that organization in its life cycle. Matt, you're pondering, you're staring. What do you think?

0:47:00.4 MB: I think it's signaling. When you participate in a ritual, when you know the secret handshake, when you know the fancy dance, you're signaling to others that you are part of this community, 'cause you know the community's thing. You're wearing the college sweatshirt, you know the fight song, whatever those things are. And I think early on, attending that morning stand-up was signaling that you're part of the cool tribe now, you're doing this thing, it's a little bit different. So I think that's important. Unfortunately, what I see now is sometimes when ritual is just enforced and then done for the sake of ritual, it has the opposite effect.

0:47:34.1 KL: Well, actually, again, in life cycle there, one of the versions that I've worked with says, "There's a world where you hit Byzantium where it becomes all ceremony and nothing underneath it, and that's usually a death knell. Because what's getting rewarded is the ability to perform the ceremony. The ability to prove that you have three meetings at the same time on your calendar shows that you're important because you're the person that has to be in all the meetings. Sadly, this may have nothing to do about producing the product or service, or... [laughter]

0:48:00.9 MH: Yeah, and that ties to the other story, and this is one of humility, goofed kind of badly and learned the hard way. I was definitely one of those, I don't know, paternalistic project managers for probably the first 10 years of my career, but I thought I was a servant leader too, and I didn't realize that they're kind of mutually exclusive. Yeah, and I tried to be friendly and I genuinely cared, and empathized with my team and their problems and tried to accommodate them when they had life crises and all that sort of stuff. But I remember at one point, after we had a big success and we were celebrating with a pizza party or something, one of my key guys who really became a friend and our family's got together and all that stuff, came to me really kind of nervously and very hesitantly and said, "Mike, I have some feedback to give you that's kind of hard to give." And I was like, "Well, what is it?" He's like, "You're too bossy." I was like, "What do you mean? I give you guys all sorts of freedom and flexibility and blady blady blah.

0:48:54.3 MH: He's like, "Shut up. You're not listening. Even things like holding the pizza party for us, you had the funding to go make it happen, and that was a reinforcement of your sense of

status as leader, and you chose the pizza, you didn't ask us. And so what if you just said, 'Hey, I've allocated money from the company, it's only a couple hundred bucks or whatever pizza party costs. But guys, go figure something out to celebrate as a team, and in fact, please don't invite me.' That guy said that would have been 10 times more powerful than what you typically do, which frankly, it seems self-serving, and I was like, "Oh. I think he's right. Oh no." [laughter]

0:49:38.2 KL: That's part of the parental, "You're gonna enjoy this trip, damn it."

0:49:42.4 MH: How dare you complain about the party I just throwed you? [chuckle]

0:49:45.1 KL: Those things are [0:49:45.9] ____ because I think for every story about, why didn't you just give us the freedom to structure our own pizza party, there'd be a story for, "Man, that's just one more thing you asked us to do, even if the plan our own pizza party." There's gonna be that guy too.

0:50:00.8 MH: [laughter] But even there, you can say...

0:50:00.9 KL: It has to do with the emotion that you're in, though. I think it's about what allows you to be more effective is where I was thinking.

0:50:06.5 MH: That, and even just, why not ask? Different teams inside the same culture might have a different preference there, and you say, "Whatever I could do to make that easier so that you can have the celebration you deserve, just let me know."

0:50:17.9 MB: And I think this comes back... For me, at least, some of these things feel like they're coming back full circle, because if what you have in any particular organization design, which then to me, culture is an outcome, it's hard to change culture, by just saying, "I'm gonna change culture, be a mindset code." You have to change process and structure and design, and then that creates new rituals, which creates new stories, which emanates a new culture, and then it becomes a self reinforcing thing. But that's why I think looking at things like... Well, so one of my favorite things to talk to people about, which they almost never do, is a lot of places have... They conflate the management of people with the management of work, whether their project, their product or whatever, and that's fine. That can be okay. It's very normal, and a lot of places achieve success.

0:51:02.1 MB: But sometimes when people wanna start making changes they're hesitant to start un-stitching those things. What if we created a people manager job that was like employee advocate or a permanent coach that was truly coaching people and that was separate from a project manager, product manager, 'cause we also don't wanna go down the path of matrix organizations. And that's unfortunately sometimes when people do the chapter model, you'll get your engineering managers, your design managers, your test managers, and then they all have their own little engineering design and test pet projects, but their people will also be assigned to teams with delivery objectives. You think about that's teasing those rules apart and thinking about workflow still is a structural way, that's something that's very easy to control, a structure or a process, those are easier things to change that will then have like oblique or ancillary or ripple effects that will start influencing other aspects of the culture that way.

0:51:56.9 MB: It gets more interesting, if you wanna double down on that structure and say, "Hey, we're gonna tease this apart for a couple of years, and anybody who's gonna become a delivery

manager, if you're gonna move from individual contributor subject matter expert, and you wanna become a delivery manager, you have to go be a people manager first, you need to go be a people coach first." There's pros and cons to that too, but that's an example of a structural way that we might start compensating for some of our invisible rewards mechanisms that are promoting some of the friction that we don't wanna have in our system of delivery.

0:52:31.7 KL: It's about organizational friction, not just flow friction. That's where I start feeling interested. It's kind of a variant lens on the flow question to me, is the friction around how people interact? You just opened a door for me to think about that you had mentioned earlier in a conversation, Matt. Talk to me if you can, in the few minutes we have less here, just a couple. Work co-ops, the communist insurgency inside my capitalist organization. Okay, perhaps it's not that. But it feels like that. Talk to me about work co-ops. What do you think about that?

0:53:01.6 MB: Well, I think power winds up becoming a thing that winds up being a limiting factor in a lot of organization designs. One of my favorite things to point out, which is obvious as soon as you say it is change tends to stop at a power locus where somebody feels they don't have to be a part of the change. I don't care if that's a team member or they have to be a powerful team member or a manager or a CEO, wherever the person or the group is that say, "Oh yeah, help us change our people, we don't need to change," that's where the change is ultimately gonna stop, whatever that changes.

0:53:33.3 KL: So it's not about the resistance, it's about the non-connected?

0:53:37.3 MB: I think it's a little bit of both. And why I'm kind of exploring worker co-ops more is because it helps balance and distribute that power more, I feel like... I'm reading this cool book right now called *Owning Our Future: The Emerging Ownership Revolution* by Marjorie Kelly, and it calls... It's the journeys to a generative economy and I like it. She talks about a lot of things. She's certainly not an anti-capitalist, she definitely talks about wanting to produce value into the world and make sure that we're generating profit and revenue, all those good things, but the idea that maybe things have over-rotated in a certain way, such that power keeps getting siphoned almost unidirectionally, and we never have a way of redistributing. And then how do we fix that? Ultimately, you think if workers have a voice, if workers have a way to vote, if workers have representation more or less at the table, it's not just about profit sharing and things like that, I think it's about feelings of ownership, sense of connection and we we're talking about with the feeling of, we're all in this together, but in a way that has some organizational teeth to it.

0:54:40.8 KL: I assumed you were linking that actually to get in underneath the conversation argument about the management of work. This is the idea that maybe some of the people who do the work should be involved with the management of work, when you were talking about managing work versus managing people. I assume that that's where that was actually going to connect it to.

0:54:57.0 MB: It's more about thinking about the work. SIMCom is probably a fairly popular organization. There's hundreds of companies in the US alone that are structured this way, thousands globally I've found out that are structured as worker co-ops. It's just interesting because it's more about worker representation and more about how to have a more distributed power balance throughout an organization structure, because I think, ultimately, ownership in our current model, ownership is the ultimate power in business, and that's gonna be ultimately where the final decision lies for any type of change. You're either able to accommodate a change because either the

ownership structure is unaware of it or they're in alignment with it, if ownership... Have you ever been to the... I don't know, these places that are like, "Well, the new vice president of technology says we're not allowed to do pair programming," doesn't that person have a better job to be doing than worrying about how people are touching their keyboards, be doing, but that...

0:55:52.2 MH: What I hear from both you guys is just kind of a fundamental premise of trust your people, those closest to the work can figure out how to get the work done, manage the people, not the work. Micromanage the process, don't micro-manage the people, all that... All those dos and don'ts all kind of converge here.

0:56:11.7 MB: And give people a stake in the game.

0:56:13.7 KL: And so in summary Matt, what would be a recommendation you would talk to project managers who are sitting probably in something that looks matrix, probably working with people who are supposed to be doing the work. What would you tell them to help get to give people a stake in the game?

0:56:29.9 MB: That's an interesting challenge. I think being realistic about their time commitments, because oftentimes people are being project managed, maybe depending how much influence you have over their resource manager, their professional managers though, being realistic about the constraints on their time and therefore the delivery of your project. And then, I think under helping them get a connection to the outcomes of the project that that's possible. Helping them go to a customer site, helping them go to a construction site, helping them understand how whatever they're doing in the world is going to be generative.

0:57:03.7 KL: Mike, what'd you hear today that you liked? Take aways.

0:57:06.0 MH: Well, I just kind of let Matt's last sentence there sink in, I think it's fantastic to make it generative because again, that's not something that a boss can just wave a magic wand and make happen. But they do need to give the space so that it can happen for the individual. Bottom line, my whole take away in all this, we're seeing a really exciting recognition with mass example of hundreds of companies in the US and thousands around the world, start to play with more effective models of genuine self-governance, self-direction, self-management, self-organization. Sounds like this worker co-op idea is one example of that, that I'm intrigued to learn more about. A guy, a great thinker named Jurgen Appelo, a Dutch guy has a model called unFIX, I'm starting to get a bit familiar with. For a couple of years now, I've been a practitioner of XSCALE models, which is basically like a rotational leadership model by the people doing the work, and even a system of agreements or working agreements between teams or across product lines that all still have to support the organizational goals.

0:58:08.2 MH: And it's fascinating to me that... I always kinda learned that well, when you get a group of 8-10 people, you gotta stick a box on top of them or else things get out of control. And like every management org chart you ever see, it kind of follow some sort of rule of thumb similar to that.

0:58:23.1 KL: The yardstick is span of control, as if that's a meaningful yard stick. [chuckle]

0:58:27.9 MH: And the notion that if we actually do provide clear organizational goals that we can

all be subservient to, if I can use terms that might trigger some people, I don't know.

[chuckle]

0:58:37.7 MH: Well, let's say in service to and trust them and give them at least some model to self-organize, some expectation that because you're closer to the work, we need you to grow as a leader of that work and a governor of that work and a team member that is in service to a broader goal for the whole organization. Learn how to pass the puck, I'm really excited, that is starting to take root and might actually become something that can be expected, even of large, traditionally bureaucratic organizations.

0:59:06.9 KL: I'm gonna go with a new one for me. And you heard it here, copyright span of effectiveness. That's actually what I care about, span of effectiveness. How are we organizing work around that and how does power work in there? I enjoyed our conversation today, Matt. Two again, my background originally in undergrad and grad was around political science, which is the study of power as far as I'm concerned, economic study of scarcity and political science, which is study of power. Everybody on the podcast can disagree with me about that, every listener, but it's about power, and that's what shapes or is an outcome of things, and that's what flows around our organizations and is so important to have, but how should we use that in achieving outcomes? I'm interested in having some other guests on here to keep playing with some of these ideas 'cause I think there's a lot going on in there. Thank you for your time today. Where can people get a hold of you to learn about vegetables, potatoes or product management change?

0:59:57.0 MB: I'm on Twitter a lot, LinkedIn is easy enough to do, and then I've got my Calendly link is available both, so if you wanna set up time out to chat, that's easy to do.

1:00:07.4 KL: Spell out your name for us, how it appears on LinkedIn.

1:00:10.0 MB: Yeah, it's... I think it's just...

1:00:11.1 KL: B-A-R-C-U-M-B?

1:00:12.3 MB: Account is B-A-R-C-U-M-B.

1:00:15.3 MH: Excellent, thanks a lot.

1:00:15.4 MB: And it's @mattbarcum on Twitter. Yep.

1:00:17.3 KL: And on Twitter. And then Mike, thank you also, of course, for showing up today and helping to drive the conversation. And everyone knows they can find Mike on LinkedIn, and he's always prepared to come and help you consult and drive flow. PMs with or without dirt under your nails, those of you who have listened to the whole episode can go to ccrs.pmi.org/claim and scroll to the fourth banner on the left column, online or digital media. And manually enter provider code number 4634 and select Empowered Strategies and manually enter the name of the episode, today's episode PMPOV0098, ecosystem design and select leadership in the talent triangle. Co-host me can Kendall Lott, calling you PM leaders to design the space, keep it in scope and get it done.

1:01:09.2 Announcer: This has been a Final Milestone Production sponsored by Empowered

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