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UNLEASH YOUR TEAM'S NATURAL POTENTIAL

Based on and Inspired by
Frederic Laloux's book

"REINVENTING ORGANIZATIONS"

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Copyright

Unleash your team's natural potential

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Foreword

This short free ebook is “based on and inspired by “ Frederic Laloux’s book, “Reinventing Organizations”

What does this mean ?

With “Unleash your team’s natural potential”, my goal is to share what has inspired me and resonated with me as I read Frederic’s book.

Based on my own experience as a manager in a multinational company, I have identified and selected several topics discussed in the book, which I wanted to “double-click” on. I also have used many excerpts from the book as I wanted to give full justice to Frederic’s exact perspective.

My hope is that if you have not yet purchased and read the book, you will feel inspired to do so as you go through this ebook. And if you have already read Frederic’s book, you will read this ebook as a continuation of what touched you when you read the book the first time.

In addition, if you would like to add to, comment or share on what I will be discussing in the next few chapters, please do so at : www.ericmarin.fr/blog

Finally, I am very grateful to Frederic Laloux whose book has been such an inspiration. And so grateful for the time you will spend reading this ebook.

Eric

Introduction

Is it not amazing how much we take care of our equipment (cars, electronic devices, machines, IT systems, production systems…) by constantly upgrading and repairing them ?

And yet, what do we do to keep our workforce and our people alive, rejuvenated, healthy, inspired and engaged? So little. Luckily, the human «machine» seems to be more flexible and adaptable than actual machines. But only to a certain extent…

As a coach and manager, I have forged the strong belief that management and leadership need to evolve.

- What kind of leadership do we need to reach new levels of performance, which is ecological and sustainable for all parties?
- What can we do to help others feel more motivated and engaged in what they do at work?
- What new type of communication do we need to develop?
- How can we contribute to our colleagues' full potential development and growth?
- How can we lead with both the head and the heart

So much has been written on leadership, and what it takes to be a good leader.

I myself have read many books on the topic of leadership. They provided me with great insight about the "Dos" and "Don'ts" to become better at what I do at work.

I also embarked on the fascinating journey of graduating from a renowned Executive MBA (Master of Business Administration) in France a few years ago. In this type of curriculum, you can indeed learn a lot about leading profitable businesses.

And yet, I rarely felt entirely satisfied by the definition of leadership. And that is really why I am about to share in this e-book what has inspired me so much in Frederic Laloux's book, "Reinventing Organizations".

This e-book is for all leaders and managers as well as individual contributors who seek to have a positive impact in their workplace by cultivating and developing values and behaviors that are ecological for themselves as well as for the people around them.

The Manager role is not something that should be taken lightly as it provides the unique opportunity to lead, inspire and help grow others.

Disclaimer: English is not my native language. Although I do work in English, read and speak English, I have no doubt you will occasionally find in this book a few remaining awkward turns of phrase. I hope you will be forgiving when it does

happen.

Chapter One

SOULFUL WORKPLACES

Have you ever read a book you want to either recommend or offer to everyone you know? One of those books you just immersed yourself in and left totally inspired by ?

Well, this is what happened to me a few months ago when I bought « Reinventing organizations » by Frederic Laloux.

Frederic Laloux researched 12 organizations who use fundamentally new ways to manage work and their employees. These so called evolutionary-teal organizations are self-managing, agile and adaptive, and they deliver extraordinary results. And all found the recipe to build soulful **workplaces**.

Here is the corporate picture Frederic Laloux paints in the early chapters of his book :

> *"We are increasingly disillusioned by organizational life. For people who toil away at the bottom of the pyramids, surveys consistently report that work is more often than not dread and drudgery, not passion or purpose. <… > . And it's not only at the bottom of the pyramid. There is a dirty secret I have discovered in the fifteen years I have spent consulting and coaching organizational leaders: life at the top of the pyramids isn't much more fulfilling. Behind the façade and the bravado, the lives of powerful corporate leaders are ones of quiet suffering too. Their frantic activity is often a poor cover up for a deep inner sense of emptiness. The power games, the politics, and the infighting end up taking their toll on everybody. At both the top and bottom, organizations are more often than not playfields for unfulfilling pursuits of our egos, inhospitable to the deeper yearnings of our souls"*

> *"An increasing number of us yearn to create soulful organizations, if only we knew how. Many of us don't need convincing that new types of companies, schools, and hospitals are called for. What we need is faith that it can be done and answers to some very concrete questions. The hierarchical pyramid feels outdated, but what other structure could replace it? How about decision-making? Everybody should make meaningful decisions, not just a few higher-ups, but isn't that just a recipe for chaos? How about promotions*

and salary increases? Can we find ways to handle such matters without bringing politics to the table? How can we have meetings that are productive and uplifting, where we speak from our hearts and not from our egos? How can we make purpose central to everything we do, and avoid the cynicism that lofty-sounding mission statements often inspire? What we need is not merely some grand vision of a new type of organization. We need concrete answers to dozens of practical questions like these"

"Can we create organizations free of the pathologies that show up all too often in the workplace? Free of politics, bureaucracy, and infighting; free of stress and burnout; free of resignation, resentment, and apathy; free of the posturing at the top and the drudgery at the bottom? Is it possible to reinvent organizations, to devise a new model that makes work productive, fulfilling, and meaningful? Can we create soulful workplaces—schools, hospitals, businesses, and nonprofits—where our talents can blossom and our callings can be honored?"

At a very high level, and based on the researched companies, he described the so-called Teal Organizations as having achieved three important **breakthroughs**:

- ✓ **Self-management**: Teal Organizations have found the key to operate effectively, even at a large scale, with a system based on peer relationships, without the need for either hierarchy or consensus.
- ✓ **Wholeness:** Organizations have always been places that encourage people to show up with a narrow "professional" self and to check other parts of the self at the door. They often require us to show a masculine resolve, to display determination and strength, and to hide doubts and vulnerability. Rationality rules as king, while the emotional, intuitive, and spiritual parts of ourselves often feel unwelcome, out of place. Teal Organizations have developed a consistent set of practices that invite us to reclaim our inner wholeness and bring all of who we are to work.
- ✓ **Evolutionary purpose:** Teal Organizations are seen as having a life and a sense of direction of their own. Instead of trying to predict and control the future, members of the organization are invited to listen in and understand what the organization wants to become, what purpose it wants to serve.

To learn more, you can also have a look at **this Q&A with the author.**

I have written on my blog and in « Ecological Leadership » on several topics described in Frederic's book. Engagement (one and two) , Giving and receiving feedback, Non Violent Communication, Purpose (one and two), Decision Making,

Mindfulness, Coaching …

Although nothing will replace reading the entire book, I will further explore in the next chapters some aspects of the book I found particularly interesting . Well, the truth is that I was hooked from the first to the last page of the book , but I will “double-click” more specifically on the following topics :

- ✓ Fear or Ego-based organizations and workplaces
- ✓ Role versus Job
- ✓ Decision Making and Power
- ✓ Conflict resolution
- ✓ Feedback and Performance Management in Teal Organizations
- ✓ Purpose
- ✓ Where to start in your own organization

Looking at why I consider the above so critical in today’s corporate world (mostly dominated by the “Amber Orange” view, as described in the book) and offering my humble perspective on each topic.

Chapter Two

ARE YOU DRIVEN BY FEAR AND EGO?

> "*Taming the ego could have deep repercussions on how we structure and run organizations. Many of the corporate ills today can be traced to behaviors driven by fearful egos: politics, bureaucratic rules and processes, endless meetings, analysis paralysis, information hoarding and secrecy, wishful thinking, ignoring problems away, lack of authenticity, silos and infighting, decision-making concentrated at the top of organizations, and so forth.*"

Does it sound like something you have experienced at work ? Very likely, right?

A lot of what Frederic Laloux describes in « Reinventing Organizations » has to do with our worldview. Can we consider different type of organizations although we have been entrenched in ours for so many years? Probably since we have started to work, or even since our parents did. Amber Orange organizations (and societies) are mostly ego-driven. **The shift to Evolutionary-Teal happens when we learn to dis-identify from our own ego.**

Here, I would like to briefly discuss what « ego » means as there might be some confusion if you have not read Laloux's book.
I have meet with several managers over the years who believe that « having a strong ego » is indeed a good thing. As a matter of fact, they felt that this was one of the key qualities managers should be able to display in order to lead.
The way I look at the ego is very simply everything which leads to separation. Separation from others, from self even. And there are so many ways in which we act that bring separation: Judgment, blame, resentment, talking about others, putting ourselves or others on a pedestal, … Many spiritual teachings describe the path to liberation from the ego as a path towards unity. Therefore, "having a strong ego" can be misleading. Assertiveness expressed consciously can indeed be a great "tool" as long as it is not meant to bring more separation !

Giving power to the ego can indeed be very damaging as it « consumes » so much of our energy in activities that are counter-productive. Our egos often do a very good job at separating us from what is. At work, this can take many different forms: forcing our point of view, thinking as « we-they » or « I-He/She » , as « I win-He loses » or vice versa.

I have chosen below a couple of excerpts from Laloux's book which describe it very well.

> ***"This longing for wholeness is at odds with the separation that most existing workplaces foster, albeit unconsciously****—overemphasizing the ego and the rational while negating the spiritual and emotional; separating people based on the departments they work in, their rank, background, or level of performance; separating the professional from the personal; separating the organization from its competitors and the ecosystem it is embedded in. Vocabulary we use is often revealing: in organizations, we often speak about "work-life balance", a notion that shows how little life is left in work when we have separated ourselves from so much that truly matters"*

> *"They put on a professional mask, conforming to expectations of the workplace. In most cases, it means showing a masculine resolve, displaying determination and strength, hiding doubts and vulnerability. The feminine aspects of the self—the caring, questioning, inviting—are often neglected or dismissed.* ***Rationality is valued above all other forms of intelligence; In most workplaces the emotional, intuitive, and spiritual parts of ourselves feel unwelcome, out of place.*** *Organizations are for the most part, in the true sense of the word, soulless places—places inhospitable to our deeper selfhood and to the secret longings of our soul"*

If you have been kind enough to follow my blog for the last few years, the fact that I chose to highlight the above will not come as a surprise ! I have written on these very aspects of « ecological workplaces ».

The first thing is really to be able to **discern how we operate.**

> *"By looking at our ego from a distance, we can suddenly see how its fears, ambitions, and desires often run our life. We can learn to minimize our need to control, to look good, to fit in. We are no longer fused with our ego, and we don't let its fears reflexively control our lives. In the process, we make room to listen to the wisdom of other, deeper parts of ourselves."*

And this is **where developing mindfulness can be of great help**. Mindfulness will indeed give you that space from which you can indeed look **from a distance, and witness your patterns and behaviors**.

So, what does it look like to be driven, not by fear, but by a higher purpose, a sense of wholeness, our soul ?

> *"What replaces fear? A capacity to trust the abundance of life. All wisdom traditions posit the profound truth that there are two fundamental ways to live life: from fear and scarcity or from trust and abundance. In Evolutionary-Teal, we cross the chasm and learn to decrease our need to control people and events. We come to believe that even if something unexpected happens or if we make mistakes, things will turn out all right, and when they don't, life will have given us an opportunity to learn and grow"*

If all you have known in your professional life are workplaces where politics and conflicts were the rule, it may be nearly impossible to consider that something else can exist. **And that has to do with our worldview as discussed at the beginning. Do we see the world as a place of dangers where we are better off protecting ourselves from external (perceived) risks (.i.e separation) or a place where we can take bold steps towards authenticity, vulnerability, trust and wholeness ?**

This is why I see Frederic Laloux' s book as so inspiring as **he provides many examples of corporations where this worldview has been developed and fostered while providing exceptional business results at the same time.**
In subsequent chapters, we will look at how this get applied in very concrete ways in teal organizations.

Chapter Three

YOU HAVE ROLES, NOT A JOB TITLE!

Role versus Job Title. This is an important topic discussed throughout Frederic Laloux's book and which I have always been very sensitive to. The book described really well how this distinction is of utmost importance for any Teal organizations to thrive. And in particular how it allows **self-management to deliver on its promise. First, what is the issue with job titles?** Well, simply put, and all to often, job titles and how we get attached to them will **satisfy the ego and separate** us from others. Instead of serving our wholeness as described in the first chapter of this ebook.

Let's have a look at how Frederic Laloux depicts it.

> *"In most organizations, especially of the Orange sort, **job titles are a currency for status. Like all currencies, job titles are subject to the law of inflation**. In many companies, they seem to swell and multiply—there are vice presidents, senior vice presidents, executive vice presidents, junior or senior directors, and ever more types of chief officers. It is a common expectation, in the Orange worldview, that people will work hard to achieve the next promotion and a bigger title. From the Evolutionary-Teal perspective, job titles are like honeypots to the ego: We can quickly get attached to our job title if it carries social prestige, and we can easily fall into the trap of believing we "are" our job identity. And in a hierarchical system, it's all too natural to start considering that we are somehow above certain people and below others. Unsurprisingly, Teal Organizations mostly do without job titles"*

And our attachment to job titles can lead to attitudes and behaviors that can separate us further.
What if instead **we could think of our job as filling a collection of roles.**

For instance, if I look at my current job, I could see myself filling different roles:

- People manager
- Member of a specific leadership team with 4 other colleagues with various additional roles here.
- An individual contributor in 3-4 working groups and work streams, filling various other roles here too.
- Defining and implementing our team communication framework
- Facilitating team meetings

- Sponsor of 3-4 initiatives
- … etc, etc

You can start to see the difference with my current title which would be something like « Europe Middle East and Africa Field Chief Technology Officer ». Yes, that may sound like a great title, but we need to be vigilant not to fall into the trap highlighted above : **identifying ourselves to our title and aligning our attitude to it, and starting thinking and behaving accordingly. In other words, the trap of putting ourselves on a nice pedestal which the ego will absolutely enjoy !**

When we are asked what we do professionally , more often than not, we will say: "I am a VP" , a Sales Engineer, an Account Manager, … **There is a kind of « fusion » between the position we hold, our job title, and who we think we are, our identity.**

> *"Without a job title, it becomes that much harder to merge our identity with our position. This fusion is commonplace today. Part of us believes that is really who we are, and.* ***In the absence of job titles and job descriptions, we are more likely to see ourselves and others first and foremost as human beings that happen to put our energy into specific work roles during a period of time"***

Instead, Teal Organization will look at the workplace as a kind of a « **role marketplace** ».
People don't have a job, but fill a number of granular roles. On a side note, Holacracy, which I will discuss in a later chapter, has defined the process by which roles are defined, created, removed or traded.

> *"Because roles in self-managing organizations are defined granularly, it can be quite easy to trade roles within a team. A person that is very busy can ask colleagues to pick up one of her roles, temporarily or permanently. A team member that wants to learn a new skill can ask a colleague to trade a corresponding role toward that end. <…>. At any point in time, thousands of people would be involved in task forces, picking up technical and leadership skills from more experienced colleagues.<…> Thinking in terms of granular roles instead of pre-defined jobs creates great fluidity and adaptability. People can give up one role and take up another without needing to go through the cumbersome and often political processes of appointment, promotion, and salary negotiation"*

Now, 2 questions that you may ask yourselves at this stage. **Does this mean that everyone is equal and does this mean that we do not have bosses anymore ?**

"With roles, it does not mean that everyone is equal, that all jobs are the same.

Some roles have a rather narrow scope while other roles take a broader perspective"

> *"**Does this mean there are no bosses in a self-managing organization?** Quite the contrary. Every role people take on is a commitment they make to their peers. They are not accountable to one boss; every one of their peers is a boss in respect to the commitments they made. Anybody can put on the hat of "the boss" to bring about important decisions, launch new initiatives, hold under-performing colleagues to account, help resolve conflicts, or take over leadership if results are bad and action is needed"*

And the beauty of this is that this is how you can really start to **empower everyone in your organization.** Modern organizations keep talking about empowerment, but when you go and talk to friends and people you know about their experiences, you quickly realize very little is done to actually make it happen. With roles, team members can be **exposed to various challenges and opportunities, stretch themselves and, through experience, grow professionally and personally. And put their entire soul into what they do !**

And this is the **striking paradox that Frederic Laloux so beautifully highlights in his book:**

> *"It is another great paradox of Teal Organizations: **on the one hand, they invite us to dissociate soul from role—who we are from what we do. And, in a beautiful paradox, this allows us to fill our role with more of our true identity**. With no job description, with no one telling us how to do a particular job, we might as well do it from our own selfhood, and infuse it with our unique personality and talents"*

Chapter Four

WHEN EVERYONE IS POWERFUL

When trust replaces fear, when we are less attached to our ego (as seen in the previous chapter), when we feel more connected to others and to a purpose, **will a hierarchical pyramid still provide the best organizational structure?**
From a Teal perspective, the right question is not: **how can everyone have equal power? It is rather: how can everyone be powerful?** Power is not viewed as a zero-sum game, where the power I have is necessarily power taken away from you.

The challenge with pyramid structure is well described by Frederic Laloux in his book :

> ***"The concentration of power at the top, separating colleagues into the powerful and the powerless****, brings with it problems that have plagued organizations for as long as we can remember. Power in organizations is seen as a scarce commodity worth fighting for. This situation invariably brings out the shadowy side of human nature: personal ambition, politics, mistrust, fear, and greed. At the bottom of organizations, it often evokes the twin brothers of powerlessness: resignation and resentment."*

And the **devastating effect of this unequal power distribution is all to well known** : very little engagement, stifled innovation and creativity. What a waist of energy and talent!

And one of the best way to ensure everyone gets to be powerful is to have a **more inspiring decision-making process.**
As Frederic Laloux describes it, the pyramidal structures hinder fast and effective decision making. And does not always create the necessary level of engagement for decisions to be implemented swiftly.

> ***"In a pyramid structure, meetings are needed at every level to gather, package, filter, and transmit information as it flows up and down the chain of command. In self-managing structures, the need for these***

> ***meetings falls away almost entirely.*** *Meeting overload in traditional organizations is particularly acute the higher you go up the hierarchy Decisions are naturally pushed up to the top, as it's the only place where decisions and trade-offs can be informed from the various angles involved. It's almost deterministic: with a pyramidal shape, people at the top of organizations will complain about meeting overload, while people below feel disempowered."*

We often think that decisions can be made in only two general ways: **either through hierarchical authority** (someone calls the shots; many people might be frustrated, but at least things get done) **or through consensus** (everyone gets a say, but it's often frustratingly slow and sometimes things get bogged down because no consensus can be reached).

I have discussed on this blog already some of the challenges with current decision making processes, and consensus in particular. Sadly, this is what we see all too often:

> *"Consensus comes with another flaw. It dilutes responsibility. In many cases, nobody feels responsible for the final decision. The original proposer is often frustrated that the group watered down her idea beyond recognition; she might well be the last one to champion the decision made by the group. For that reason,* ***many decisions never get implemented, or are done so only half-heartedly****. If things don't work out as planned, it's unclear who is responsible for stepping in."*

What I like about Frederic Laloux's book is that it gives several examples of successful implementation of more powerful decision making processes. For instance, here is how decisions are made at Buurtzorg, one of the researched companies, situated in the Netherlands.

> *"Let's take a look, for instance, at a team meeting where important issues need to be resolved. With no boss in the room, no one can call the shots or make the final call.* ***Instead, Buurtzorg teams use a very precise and efficient method for joint problem solving and decision-making.*** *The group first chooses a facilitator for the meeting. The agenda of topics to be discussed is put together on the spot, based on what is present for team members at that moment in time. The facilitator is not to make any statements, suggestions, or decisions; she can only ask questions: "What is your proposal?" or "What is the rationale for your proposal?" All proposals are listed on a flipchart. In a second round, proposals are reviewed, improved, and refined. In a third round, proposals are put to a group decision. The basis for decision-making is not consensus.* ***For a solution to be adopted, it is***

> ***enough that nobody has a principled objection.*** *A person cannot veto a decision because she feels another solution (for example, hers!) would have been preferable. The perfect solution that all would embrace wholeheartedly might not exist, and its pursuit could prove exhausting. As long as there is no principled objection, a solution will be adopted, with the understanding that it can be revisited at any time when new information is available."*

And there is also the **advice process**, which most of the researched companies follow in some shape or form.
Someone in charge of a project will have to seek the **advice of as many stakeholders as possible to come to the best proposal (and later, decision) possible. Even the CEO could be one of the many consulted persons.** The process is key to making self-management work on a large scale. People "higher up" could not simply overrule these decisions based on hierarchical position, because they would be « simply » one of the stakeholders whose opinion is sought. **Sure, a CEO's opinion may have bigger weight given his experience and position, but still, he would "only" be one of many**. And would have no power to revert decisions made through the advice process.

Contrast it with consensus seeking, described above. **With the advice process, the ownership for the decision stays clearly with one person: the decision maker**. **While consensus drains energy out of organizations, the advice process boosts motivation and initiative.**

Let's have a look at it the benefits of the **advice process** as described in the book.

> *"**First**, it draws people whose advice is sought into the question at hand. They learn about the issues and become knowledgeable critics or cheerleaders. The sharing of information reinforces the feeling of community. Each person whose advice is sought feels honored and needed. **Second**, asking for advice is an act of humility, which is one of the most important characteristics of a fun workplace. The act alone says, "I need you." The decision maker and the adviser are pushed into a closer relationship. In my experience, this makes it nearly impossible for the decision maker to simply ignore advice. **Third**, making decisions is on-the-job education. Advice comes from people who have an understanding of the situation and care about the outcome. No other form of education or training can match this real-time experience. **Fourth**, chances of reaching the best decision are greater than under conventional top-down approaches. The decision maker has the advantage of being closer to the issue and … usually has to live with the consequences of the decision. **Fifth**, the process is just plain fun for the decision maker because it mirrors the joy found in playing team sports. … The advice process stimulates initiative and creativity, which are enhanced by wisdom from knowledgeable people elsewhere in the organization"*

We looked in the first chapter of this series at the 3 breakthrough the Teal companies have achieved. And **ensuring everyone gets to be powerful is most certainly the key success factor that can explain the spectacular outcomes of the pioneer organizations researched in the book "Reinventing Organizations"**

1. Power is multiplied when everybody gets to be powerful, rather than just a few at the top (breakthrough 1: **self-management);**
2. Power is used with more wisdom, as people bring in more of themselves to work (breakthrough 2: **wholeness**);
3. Things just fall into place when people align their power and wisdom with the life force of the organization (breakthrough 3: **evolutionary purpose**)

Chapter Five

HOW CONFLICT CAN BE HEALTHY

For many years, I really believed that conflict equaled anger, and that anger led to conflict. I was avoiding conflict as much as possible, mostly because I did not know how to deal with it. Just did not have the skills to properly address conflict and manage anger, mine and others.
But it does not have to always be like that. **As a matter of fact, conflict is sometimes inevitable, and can be healthy.**

Frederic Laloux, when talking about Evolutionary-Teal organizations in his book, speaks of the **importance for companies to be able to deal with conflict.**
In fact, Teal Organizations spend significant time and energy training everybody in a number of ground rules that support healthy and productive collaboration. Most of the researched organizations ended up writing down these ground rules in a document.
In short, "**the premise is maintained that conflict is inevitable, but that hostile behaviors are not."**

For instance, "Morning Star (note : one of the researched company) says that **conflict avoidance remains their major organizational issue.** Making that first move to confront someone is hard". Some organizations, therefore, go one step further and **train all their colleagues in interpersonal skills to enable them to deal gracefully with conflict.**

Without conflict, we can **be over-accommodating or over-protective, and in both cases, we stop being true to ourselves when interacting with colleagues**. And because being true to ourselves is at the heart of why those companies are so successful and of how they operate, it is critical that conflict is to be addressed. Precisely because employees are encouraged to « sense and respond » and take initiative when they sense this is the right thing to do, they will "fight" for what they believe is the right thing. How they "fight" depends on how they perceive the situation, .i.e their view of the world.

Let us have a look at what happens at RHD.

"This corporation has chosen to operate with several basic assumptions. One of those assumptions is that there are multiple "right" ways

or paths we can follow in making decisions, thus there is no one "true" or "absolute" reality. Each person in a situation holds his/her own view of reality, and his/her own perspective about the most effective way to do things. ***This assumption allows us to recognize that conflict is inevitable and that people will disagree in the workplace. While conflict and difference (or disagreement) are to be expected, explosive or otherwise hostile expressions of anger are not acceptable*** *in RHD. As a member of the RHD community, it is important to be able to do two things:*

a) ***Separate from our own need to be "right" in order to hear and respect others' realities and perspectives:*** *and,*
b) ***Differentiate between thoughts (what's going on inside your head) and behaviors (what you do or say).****"*

I find the two steps above to be absolutely key. And how we master them depends, I think, on a few skills one needs to develop and nurture: **awareness, discernment, empathy and mindfulness**. Always coming back to the same qualities, aren't we ? Frederic Laloux mentions that indeed mindfulness practices (or similar forms) are learned and practiced regularly in the companies he researched. Sometimes even at the start of every meeting, as a team practice. **Becoming more aware of how we see the world, how we respond to our perceived reality of situations we encounter is certainly not always easy, but can become healthy if companies encourage mindful conflict resolution.**

Frederic Laloux offers a few practical "tools" that those companies have developed and use. Some of which I have already discussed on my blog.

"At Sounds True, all colleagues have the opportunity to learn a simple three-step process for difficult conversation:
Step 1: ***Here is how I feel.***
Step 2: ***Here is what I need.***
Step 3: ***What do you need?***
The process has become so key to managing interpersonal dynamics at Sounds True that people have to engage with."

"At ESBZ, all teachers are trained in ***Nonviolent Communication****, and so are the students."*

Chapter Six

FROM PERFORMANCE MANAGEMENT TO INQUIRY AND CELEBRATION

How to give feedback on people's work performance? One of the skills managers seem to be receiving many training on. And yet, I find, possibly one of the least mastered skill.
Why is it so difficult for those of us in people management positions to 1. have the courage to provide useful constructive feedback on individual's performance and 2. provide performance assessment which can be received as constructive and non-judgmental ?

I did discuss the art (I indeed see it as a delicate art !) of giving feedback in one of my blog post.
I am quoting Frederic Laloux, author of "Reinventing Organizations" as I think he summarizes very well what we see all too often in our corporate environments.

> *"Most of us naturally want to receive feedback on our contribution at work. We want to know: Was our work helpful? Was it worth the effort we put into it? A**nd yet, most organizations find it exceedingly difficult to create a culture of feedback. Often, people take good work for granted or simply say, "Great job!", a rather unspecific form of feedback.** And for negative feedback, we tend to dance around the issue, often waiting until the next formal appraisal discussion to bring up the topic. **No wonder annual appraisals are, in many companies, the most awkward moments of the year. As employees, we go into these meetings in two minds.** On the one hand, we hope our contributions will finally be acknowledged; on the other, we fear negative feedback might have built up over time because so much tends to be left unsaid during the year"*

The company I am currently working for has developed a new framework in which more regular and fruitful « Sync Up » conversations are encouraged between managers and their teams. Frederic Laloux in « Reinventing Organizations » highlights how those moments should be cherished: **appraisal discussions, if approached from a different mindset, can be turned into opportunities,** "*where*

our contributions are celebrated and recognized, where, without judgment, we inquire truthfully into what isn't going so well: places where our knowledge, experience, talent, or attitude fall short of what our roles require. *And we can inquire into even deeper questions: What do we truly long to do? What is our offer to the world? What are our unique gifts? What holds us back? What could help us step more boldly into the life that wants to be lived through us?* »

In other words, how do we ensure that performance management becomes **a time of inquiry and celebration, rather than of judgment and control.**

Frederic Laloux's book offers **three additional practices to turn those moments into time of « inquiry and celebration"**.

> *"The **first** is simply to approach feedback with the ancient insight shared by all wisdom traditions. We can approach the world from one of two sides: from a place of fear, judgment, and separation; or from one of love, acceptance, and connection. When we have difficult feedback to give, we enter the discussion uneasily, and this pushes us to the side of fear and judgment, where we believe we know what is wrong with the other person and how we can fix him. I**f we are mindful, we can come to such discussions from a place of care. When we do, we can enter into beautiful moments of inquiry, where we have no easy answers but can help the colleague assess himself more truthfully."***
>
> *"The **second** practice flows out of the first. We must learn the language of the heart. We've been told that we should assess other people as objectively as possible. That's a tragic mistake. Assessments are never objective (at best we can say they are culturally grounded, if many people share the same assessment), but nevertheless we often believe that they are. **We turn our subjective impressions into "truths" about a person; no wonder they resist our feedback.** Rather than cloaking ourselves in objective detachment, we must get involved. **We must learn to speak in "I" language, to share how we have been inspired, touched, puzzled, hurt, frustrated, or angered as a result of what the other person has said or done.** Feedback given that way is not an objective evaluation, but a joint inquiry. We offer a peek into our own inner world so as to help the other person better understand the impact of their behavior. The more we open up, the more we invite our feedback partner to do the same."*
>
> *"The **third** practice requires that we change the nature of the discussion in performance evaluations. Most appraisal discussions attempt to take a seemingly objective snapshot of a person's abilities—resulting in a series of scores on predefined performance criteria, a sort of balance sheet of strengths and weaknesses. What a disheartening way to sum up a person! What if we changed the discussion? Instead of a snapshot, we can choose a wide-angle perspective. **Let's look at a person's current roles at work in the broader light of her life's journey, her potential, hopes, and calling.** <…> This will also naturally help us to go from stating ("I see you as a three*

on the criterion of 'following through'") to inquiring ("Where do you see yourself going?")."

In other words, and if I were to summarize it as succinctly as possible:

1. Mindfulness
2. Start with I
3. Purpose

Frederic Laloux then offers another example of a practice at one of the researched companies in which a few questions are framed that turned the appraisal into a moment of joint exploration:

1. **Lauds:** What has gone really well this year that we might celebrate?
2. **Learning:** What has been learned in the process? What didn't go as well or might have been done differently? How do we "take stock" of where things are now compared to where we thought they might be?
3. **Looking forward:** What are you most excited about in this next year? What concerns you most? What changes, if any, would you suggest in your functions? What ongoing professional development will help you to grow in your current job and for your future? How can I be of most help to you and your work?
4. **Setting goals:** When you think about your work in the year ahead, what specific goals will guide you?

In a similar vein, Bob Koski, the founder of Sun Hydraulics, suggested four simple statements for the yearly appraisal discussions:

1. **State an admirable feature about the employee.**
2. **Ask what contributions they have made to Sun.**
3. **Ask what contributions they would like to make at Sun.**
4. **Ask how Sun can help them.**

You might have noticed that in this four-question framework there is no place allotted for negative feedback, for telling a person what they could do better.

Chapter Seven

BE GUIDED BY PURPOSE, NOT PROFIT

Have you ever tried to ask people around you what they think about their company's mission statement ? If you get an answer (not everyone does even actually remember it !), you will tend to get a rather cynical answer, or neutral at best. But very rarely will you see someone inspired and pumped up by their company's purpose. Why is that ?

Is there not some truth in what Frederic Laloux describes in « Reinventing Organizations »? :
*"People have become cynical about **mission statements because in practice they don't drive behavior or decisions.** Executives, at least in my experience, don't pause in a heated debate to **turn to the company's mission statement for guidance, asking, "What does our purpose require us to do?"***

Should indeed the company's mission not be the ultimate compass by which things are done and decided ?

> *"So **if the collective purpose isn't what drives decision-making, what does? It is the self-preservation of the organization.** The fear-based nature of the ego in Red, Amber, and Orange predisposes leaders and employees to see the world as a dangerous place with competitors everywhere trying to steal their lunch. The only way to ensure survival is to seize every opportunity to make more profit and to gain market share at the expense of competitors. In the heat of the battle, who has time to think about purpose? **Sadly, this fear-based fixation on competition plays out even when the self-preservation of the organization is not in doubt."***

What if instead each employee could be the pillar of the overall company's purpose ? As I was reading the book, and because I have worked mostly in what Laloux describes as Amber Orange organizations, I found it difficult at first to believe that the company mission could indeed be that ultimate compass. Don't we after all work in a corporate world which produces 70% of disengaged workers ?
What if indeed I could change my « glasses » and turn it upside down . Think purpose and mission first !

> *"With the transition to Evolutionary-Teal, people learn to tame the fears of their egos. This process makes room for exploring deeper questions of meaning and purpose, both individually and collectively:* ***What is my calling? What is truly worth achieving?*** *(…). In many of the organizations researched for this book,* ***the overarching purpose is not only a statement on a plaque at the reception desk or in the annual report, but an energy that inspires and gives direction"***

Some of you might think that this can only lead to a total disaster, certainly from a financial standpoint. The paradox, of course, is that while the companies researched in the book do not have an obsession with growth, they all have fantastic growth records.

As Laloux writes,

> *"Teal practices unleash tremendous energies;* ***when these energies meet a noble purpose and a deep hunger in the world, how could anything but growth ensue?***
> *The for-profit organizations researched for this book have a different perspective on profit. Profit is necessary and investors deserve a fair return, but* ***the objective is purpose, not profit. Several of the organizational founders used the same metaphor: profit is like the air we breathe. We need air to live, but we don't live to breathe.***
> *In Teal Organizations, profits are a byproduct of a job well done.* ***Philosopher Viktor Frankl perhaps captured it best: "Success, like happiness, cannot be pursued; it must ensue, and it only does so as the unintended side-effect of one's personal dedication to a cause greater than oneself."*** *This idea is another great paradox: by focusing on purpose rather than profits, profits tend to roll in more plentifully."*

And when everyone in the company is indeed driven by purpose, everyone is all in ! People will not turn sight if they see something not working for which they know there is a solution. With the purpose as a guiding light, everyone, individually and collectively, is empowered to sense what might be called for. And because everyone becomes a living cell in action serving what the company is called for, all the ego-driven behaviors won't surface.

> ***"Strategy happens organically, all the time, everywhere, as people toy with ideas and test them out in the field.*** *The organization evolves, morphs, expands, or contracts, in response to a process of collective intelligence. Reality is the great referee, not the CEO, the board or a committee. What works gathers momentum and energy within the*

> *organization; other ideas fail to catch on and wither"*

And in the process, we are invited to bring our full self to the workplace

> *"Teal paradoxical thinking invites us to transcend this either-or dichotomy: we can be both fully ourselves, and be working toward achieving an organization's deeper purpose. We don't need to reject parts of ourselves to be in service. It's just the opposite:* ***we are at our most productive and joyful when all of who we are is energized by a broader purpose that nourishes our calling and our soul"***

In conclusion, I also wanted to share a very interesting perspective which Frederic Laloux mentions in his book.
Norman Wolfe suggests in his book *"The Living Organization"* an insightful distinction between **three types of energy fields in the workplace: Activity, Relationship, and Context.** With Activity, he refers to the energy of action, the "what we do and how we do it." Relationship refers to the energy brought to the interactions; what we say, how we say it, how we relate to each other. Context in turn is the energy of meaning and purpose, of connection with a larger whole.

Sometimes, Activity is all there is. It is no surprise, then, that leaders in traditional organizations naturally focus their energy on the Activity field, the problem solving, decision-making, trouble-shooting, and so forth. Most of them view the field of Relationships as a necessary evil, an area they need to invest some time in, because sometimes interpersonal frictions threaten to slow down the machinery. The energy field of Context is often outside of their conscious focus altogether.

As explained in Frederic's book, the distinction of Context, Relationship, and Activity gives a way to frame the magic. **When the energy field of Context is healthy and powerful, Relationships are healthy and powerful too. And then, what in other circumstances causes time and energy to be wasted in the field of Activity simply disappears. Nothing stands in the way of getting work done.**

Chapter Eight

TOWARDS EVOLUTIONARY – TEAL

We have discussed several topics from Frederic Laloux's book. Aspects and attributes that all the researched companies in the book have in common.
But a question reminds as many of us might sense a calling for embracing « Evolutionary-Teal » principles, for "going teal" in their own organizations and companies.
What can we do ? Where do we start?

At first, it might seems discouraging if you read the author's own words !

> *"I believe that vertical transformation (from Amber, Orange, or Green, to Teal) is a lost battle"*

Frederic then insists on the importance for top leaders, company owners and board members to have integrated a worldview and psychological development consistent with the Teal developmental level. He tells the story of 2 companies in his book who, once under market and financial pressure, went back to more well-known types of organization.

> *"Board members that "don't get it," experience shows, can temporarily give a Teal leader free rein when their methods deliver outstanding results. But when the organization hits a rough patch or faces a critical choice,* ***owners will want to get things under control in the only way that makes sense to them—through top-down, hierarchical command and control mechanism"***

Yet, **there are still a few things that can be done**. Even if it is « just » to foster a healthier form of Orange. A big deal already, isn't it ?!

> *"Orange Organizations can be vibrant and innovative places where management by objectives gives people room to maneuver and to express themselves; or they can be stressful, lifeless places constrained by a thicket of rules, procedures, budgets, and targets. As a middle or senior manager,*

you can foster an environment that is as healthy as possible for your department within the Orange context"

Holacracy, which is one operating system for companies who want to go « Evolutionary – Teal », talks about 2 concepts which I really like:
– **"Sense and respond" vs "Predict and control"**
– **"Processing tension"** , tension being defined as « the felt-sense of a specific gap between current reality and a sensed potential"

Note: apart from the Holacracy website itself, I found this article on Holacracy very insightful.

Therefore, I think we can still as managers and team members foster an environment in which people are encouraged to **sense issues and/or opportunities, and feel empowered to do something about it**.
And also in which we feel **empowered to address tensions**. Providing more **autonomy as well as role clarity and accountability** will go a long way and is critical for people to feel they need and can address tensions as they see develop in their company.

*"In a self-managing organization, change can come f**rom any person who senses that change is needed**. This is how nature has worked for millions of years. Innovation doesn't happen centrally, according to plan, but at the edges, all the time, when some organism senses a change in the environment and experiments to find an appropriate response. Some attempts fail to catch on; others rapidly spread to all corners of the ecosystem"*

In addition, all researched companies have defined and published **the core set of basic assumptions and principles under which they operate**. For instance, FAVI's three basic assumptions are : "people are systematically considered to be good (reliable, self-motivated, trustworthy, intelligent); there is no performance without happiness; value is created on the shop floor".

So, what about **exploring those assumptions with your own team?**
This is what Frederic Laloux mentions:

*"Start by uncovering the **unspoken assumptions behind the traditional hierarchical organizational (Amber/Orange) model:** workers are lazy and untrustworthy; senior people have all the answers; employees can't handle difficult news; and so forth. Many people find this exercise eye-opening. **When they realize what a sad set of assumptions underlies traditional management models, they are eager and energized to define***

a more positive set of assumptions"

Your colleagues are more likely to embrace these practices if they understand the underlying motive. **Why are you passionate about creating an organization where people relate more wholly with each other? Why is it important in your own life? You can also link the topic of wholeness to the organization's purpose. Why does the organization's purpose need us to show up whole?**

I discovered in the book a nice "tool" used by some companies, called "Appreciative Inquiry" , which helps teams to explore questions like "How can we really be ourselves at work? .

Teams are invited to explore in pairs and groups a series of questions (the below are just examples highlighted in the book):

- Remember a time where you felt you could really be yourself at work, where you didn't need to act or look the part in any way. Tell me about it. How did you feel at the time?
- At that time, did you sense a difference in your relationships with your colleagues (and possibly with your clients, your wife or husband, your children)? What was the atmosphere like?
- Did being fully yourself change anything about your work? Did you feel more productive, more innovative, more …? Tell me about it.
- Can you think back and try to remember what conditions were in place that helped you to be fully yourself at work?

Therefore, I think there are still ways you can start to embrace to **develop more empowerment, engagement, purpose and trust so that colleagues bring more of themselves at work. And that is the leap we can decide to make.**

Additional resources I found valuable:

1. Comic book on Holacracy by Bernard Marie CHIQUET
2. Holacracy journey at Zappos
3. Buffer sharing very openly their journey as well as specific implementation of key processes (performance management, salaries and bonuses, …)
4. A small company sharing its experience
5. Reinventing Organizations Wiki

Voila ! We have (almost) reached the end this book, inspired by the aspects of Frederic Laloux's book which resonated the most with me, based on my own aspirations a well as experience as a manager and employee.
"Reinventing Organizations" is an inspiring book. How we turn inspiration into concrete (small or big) change in our teams is what will ultimately make a positive impact, both in terms of business results as well as bringing our whole at work.

I said "almost". As I wanted to leave you with one final thought. On speed, agility and innovation…

Chapter Nine

SPEED, AGILITY AND INNOVATION

The true story behind the **invention of the chess board** has been lost in time.

The story is often told in the form of an humble servant, a mathematician, showing his creation with the Chinese emperor.
The emperor was so impressed he offered the inventor a reward of his choosing. The mathematician, asked that one grain of rice be placed on the first square of the board and that he be doubled on each subsequent square. The emperor, impressed by the inventor's apparent modesty, protests, believing that the reward is too small – but the mathematician persists.
When they reach the 32nd square, the reward amounts to the production from a small field- significant but not unreasonable. But the emperor could still remain an emperor. And the inventor could still retain his head. Yet, **by the 64th square, it is estimated that the total amount of rice would amount to a pile the size of Mount Everest, or would cover entirely the surface of the Earth**. Of course, the emperor could not honor such a request. In some versions of the story, once he realizes that he's been tricked, he has the inventor beheaded. But that is another story ...

The second half of the chessboard is a phrase coined by Ray Kurzweil an American author, inventor, futurist, and a director of engineering at Google. **The key point being that once you reach the second half of the chessboard, changes are exponential. The story behind the chess board is a tale about exponential growth and accelerated change.**
Things that were only a dream a short 10 years ago are now possible: driverless car for instance, or artificial intelligence. In other words, in many areas, we are today entering the second half of the chessboard.

I work in an IT company and meet with our customers's Head of Information

Technology (CTO, CIO, …) on a very regularly basis. What they all tell me is how much they feel (and sometimes are overwhelmed by) this “acceleration” . The business world is becoming more competitive, and for companies to thrive, they need speed and agility. Speed of innovation, of getting products and services faster to market, of designing and implementing new business models.
And for the enabling IT departments, they will need the agility expected by their own business units (their internal customers) to deliver on the required IT services.

Interestingly, and more recently, I have started to witness how those companies are getting more and more aware of the need to match it with organisational agility. Something, they will admit, had been completely overlooked in a recent past, but now becomes more acute.

Why is Frederic Laloux’s book so important ? In particular, in our modern age, where business needs to take decisions faster and faster. While minimizing risk ?
This “acceleration” increasingly creates (unbearable ?) tensions in organizations. As a result, the people in those organizations find it more difficult to deal with them. Some might even get lost in that new level of complexity and pace of change.
The human machine can not be stretched infinitely. Similarly, organizations will need to evolve to better “sense and respond” what is the best next move. And “Reinventing organisations”, in that sense, provides the compass we could all use or adapt.
The three breakthrough that Frederic Laloux has identified as he researched twelve “Teal” companies should be constant reminders for any managers and leaders of modern organizations so that the people they work feel more engaged. Even if the company they work for do not fully qualify as “Evolutionary Teal” .. Yet !

- ✓ **Self-management**: Teal Organizations have found the key to operate effectively, even at a large scale, with a system based on peer relationships, without the need for either hierarchy or consensus.

- ✓ **Wholeness:** Organizations have always been places that encourage people to show up with a narrow “professional” self and to check other parts of the self at the door. They often require us to show a masculine resolve, to display determination and strength, and to hide doubts and vulnerability. Rationality rules as king, while the emotional, intuitive, and spiritual parts of ourselves often feel unwelcome, out of place. Teal Organizations have developed a consistent set of practices that invite us to reclaim our inner wholeness and

bring all of who we are to work.

- ✓ **Evolutionary purpose:** Teal Organizations are seen as having a life and a sense of direction of their own. Instead of trying to predict and control the future, members of the organization are invited to listen in and understand what the organization wants to become, what purpose it wants to serve.

Conclusion

As you close the last chapter of this ebook, I have only one hope.

It is that you will feel even more compelled to do *something* to make your own workplace more engaged.

As Gandhi once said “Be the change that you wish to see in the world”. If you wish to make your workplace a better place for the people you have the chance to touch and interact with, and be a change agent, start somewhere, anywhere. Small, big, it does not matter.

Managers and Leaders very often hold positions of influence in their companies. If you are a people manager, or a leader in your field, that gives you a fantastic opportunity to make your workplace more liberated.

Through more ecological relationships and connections, empowered organisations, purpose and bringing our whole at work.

I hope this ebook encouraged you to be that change agent our workplaces need, and undoubtedly, will increasingly need in the next decade.

I am also very grateful to Frederic Laloux whose book has been such an inspiration. And so grateful you and I share a common aspiration, and thankful for the time you spent reading “Unleash your team’s natural potential”.

Eric.

About the author

Releasing my first book, “Ecological Leadership” 3 years ago is not something I had really planned!

Not until I started to become more aware of the huge opportunity to transform our workplace did it become something I really felt I had to do, an urge to write about what was becoming so alive within me.

I started some 20 years ago in the Information Technology industry, and have held several management positions while graduating from an Executive MBA in France a few years ago. I do work today as a European CTO (Chief Technology Officer) in a large multinational IT company. A very exciting position in which I have the opportunity to interact with inspiring people, both inside and outside the company.

More recently, I trained myself in Nonviolent Communication and Nonviolent Communication at work. And in 2013 became a Professional Coach.

In the last few years, I also opened myself to areas I was completely unaware of just a decade ago: Personal Development workshops, NeuroLinguistic Programming (NPL), Transactional analysis, Meditation, Mindfulness, Eastern philosophies…

That journey started to unveil in me the most important thing: my core values and purpose. It really felt like peeling the different onion layers of my personality, layers after layers.

I came to realize how much our self-limiting beliefs and patterns, personal self-sabotage strategies and high tyrannical expectations tend to separate ourselves further from our full potential.

The resulting lack of personal empowerment sadly creates several collateral damages in our lives. At work, this can result into:

- Unauthentic relationships
- Strategies and responses developed in autopilot mode
- Low engagement
- Stifled creativity
- Unchallenged status-quo
- Untapped potential
- Insufficient innovation

Several studies have shown that the number one reason people are leaving their companies is because of frustration, resentment or conflict with their manager! Not the salary, the company, the benefits, the job itself. No, their direct manager!

Imagine what it would be like if managers and leaders could have a positive impact

on the quality and the authenticity of their relationships with their team members and colleagues?

If we were better equipped to create stronger engagement in our workplace?

Driven by our personal values and purpose, as well as the values and purpose of the organizations? Driven by kindness and empathy? And still make the numbers!

These were the questions I have asked myself, and which I started to answer in my own way.

The world needs more ecological leaders like you to transform the 21st century workforce. And create sustainable and ecological performance.

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Note: if you would like to add to, comment or share on what I have discussed in this ebook, please do so at : **www.ericmarin.fr/blog**