

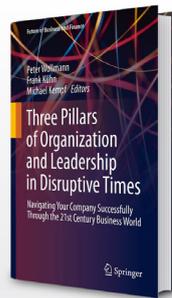
THREE P//ARS

DEVELOPMENT APPROACH

THE THREE-PILLAR MODEL

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Three Pillars of Organization and Leadership in Disruptive Times – Navigating Your Company Successfully through the 21st Century Business World (© 2020)



Organization and Leadership in Disruptive Times – Design and Implementation of the 3-P-Model (© 2021)

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SUMMARY

The Three-Pillar Model (3-P-Model) was developed and published by a group of now more than 40 international professionals, coming from 5 continents and more than 15 countries, representing knowledge from more than 15 large global enterprises in different industries or other global institutions and more than 25 different national companies or organizations.

On the first view, the 3-P-Model seems to be simple and self-evident from a common-sense perspective – which is positive as it is easy to understand. On the second view, it gets obvious that the pervasion of the model with its facets is not trivial as some efforts in mindset changing on the one hand and honest adaption on the concrete situation of an organization are necessary. The model is not a one-size-fits-all recipe, mechanically applicable, but in contrary the tailoring and concrete

application is the real final value creation for an individual case. The two books contain more than 30 use cases from all over the world together with more than 10 general deepening concept and design articles.

The use cases and the concept and design chapters are based on many years of experience in organization development, leadership and transformation. They all show how to understand and best apply the 3-P-Model in disruptive times, based on the pillars (1) Sustainable Purpose – the *raison d'être* of an organization, bringing new orientation and certainty to the people for their joint endeavor and success, (2) Travelling Organization – the mindset of an organization in a permanent state of flux, interacting with the markets' & customers' journey, with rapid adaptivity, (3) Connected Resources - Interconnecting all needed resources inside and outside the silos, creating consistency between goals and concepts, strategies and processes, competencies and roles.

The development of the model was a journey of its own, described in the first book, which is also already showing some application examples. The broad and extended application of the model is the focus of the second book.

Overall, we can say, the 3-P-Model is well-tested and confirmed in its practical application, even in pandemic times. In addition, it proved to be so open and obvious that it is easy to understand and can be combined with other modern management and change methodologies as proved in the books.

NOBODY COULD KNOW IN ADVANCE

This is the initial power and passion which made our book possible: A group of authors from different geographies, different languages and different professions, sharing their experiences on organization and leadership, very curious in finding something enduring and solid in VUCA times (volatility, uncertainty, complexity, ambiguity), concentrating the findings in a applicable and open concept, learning from one another in a global team of practitioners, consultants and academics.

We started our work on the first book together from a hypothesis that continued to develop along the way. Again and again questions, considerations, information were added and con-nected - critical, confirming, supplementary - which ultimately strengthened us all on our journey.

In the end there was a shared result that nobody could foresee exactly at the beginning.

That we wanted it that way was what we had in common. We didn't know what it would look like. And that was exactly right and a special experience.

For the second book, we could base on the Three-Pillar Model, developed in book 1; and even then, when applying the model to diverse cases of the private and public sector, we experienced every day more facets of it and reached a more mature understanding. It was and still is an exciting journey through a partly unknown land.

So, we personally experienced a journey similar to what companies are going through even on a larger scale. We discussed different perspectives and experiences from different industries, companies and institutions, professions and personalities. We learned together, structured insights and outcomes, related them to the question, how companies and institutions can tackle the challenges, disruptions and even crises in the VUCA. We developed an adequate model for this (book 1) based upon three pillars for organization and leadership – Sustainable Purpose, Traveling Organization, Connected Resources – and then tested and confirmed in practical applications (book 2).

FAR AWAY FROM ANOTHER SET OF 10 RECIPES FOR STANDARDIZED APPLICATION TO SOLVE A PROBLEM

It is very obvious that in the current volatile, uncertain, complex and ambiguous world there is normally no 'one size fits all' recipe for fundamental or operational issues even if there is much missionary work on latest management fashions.

The situations of organizations are diverse (or unique). So, on the one hand, it is about taking the time necessary to explore your own situation and, on the other hand, quickly getting into action and trying things out. This is not at all as arbitrary as it might sound, but requires clarity, commitment and discipline for the common path. No one can know what the near future will bring, no self-appointed experts, no catchy recipes, no universal solutions, no absolute truth. Rather, we all have learned that complex challenges can be coped with by a well-chosen group of sensible people who honestly discuss the issue from different perspectives, bring together information, arguments and insights, and develop a common result.

In exactly this way, the team of authors examined in the first book important and enduring design elements for organization and leadership, tested their relevance in practical cases, and wrote down their insights and experiences. We noticed that not many

basic building blocks in the existing literature remained consistently relevant. We found exactly three which are of fundamental importance and called them pillars of dynamic, future-oriented organizational development.

SUSTAINABLE PURPOSE

This is the first pillar: The sustainable sense and purpose of an organization for the owners, customers, employees and other stakeholders. It describes the company's or institution's contribution to a world worth living in. The purpose creates a fundamental directional and binding force for everyone involved. It is a strong, common core that is much more effective for identification and performance than strict boundaries and hierarchical constructions.

With the purpose, the employees of the organization know why they are doing what they are doing and what decisions they have to make; this is highly relevant when central control increasingly fails due to increasing complexity and dynamics. The purpose inspires people on their joint journey, makes them confident and proud to be a part of it and to contribute to it. This is a big difference to visions, which, as in many companies, are reduced to financial goals and lead to alienating people from their valuable work. In contrast to strategy and goals, the purpose must remain stable and sustainable for a longer period of time, as it defines the company's *raison d'être*.

TRAVELLING ORGANIZATION

The second pillar: The way of thinking and acting in an organization in constant change and development, beyond any illusions of stability and episodic change traumata. It also relates to the purpose, which shows the common "travel group" the direction. This travel group is a central picture: If people are seeking for structure, but hierarchical models fail more and more, new, reliable trust and behavioral structures are needed, especially when nobody knows what to expect around the next bend in the road. And it takes people who believe in their abilities to deal with this uncertainty together. A nice analogy is the research team that set out for Africa in the 19th century to find the source of the Zambezi, an undertaking that cannot be planned in advance, absolutely dependent on the quality of the team that had to overcome the challenges, and in which all had to outgrow themselves.

So, the organization is constantly on the move and has to achieve the best possible results and joint success under sometimes unpredictable influences. In order to find this path between uncertainties, alternatives and options, alternative work and decision-making processes are required. Smaller steps have to be taken in order to explore the country, make decisions on a timely basis, try out steps, get feedback from customers and markets on prototypes of solutions.

This makes a difference to the illusion of new business, strategic or structural stability that is sometimes promised or expected when a change project is completed. Therefore, travelling organizations and their people need an agile mentality, curiosity, self-reflection, willingness to change and to experiment.

CONNECTED RESOURCES

And this is the third pillar: The ability to network and interconnect all the resources required for the journey beyond the well-known silos, to achieve a shift in performance, resilience and value together. This also means consistency between our valuable resources such as goals and concepts, strategies and processes, experiences and competencies, working methods and customer needs - in a culture of separation to which Caesar, Taylor and Co. conditioned us: "Divide et impera".

However, we now know that, for example, a role without working relationships or a strategy without processes is useless. There is immense potential in connecting the abilities and forces in the company - economically, socially, emotionally. This has long been clear to most of us, but it is still difficult for us to jump over the structural limits we have practiced for so many years. We try to realize it in end-to-end processes and cross-functional projects. And sometimes it takes us great effort.

This connectivity must be transformed from an exception to a principle and developed, reflected on and maintained along the journey of the company. As already written, this stands in clear contrast to structural silos, secret agendas, limited competencies, individualized incentives and behaviors. Only with intelligent and flexible connectivity is it possible to balance the different interests within the company and between its numerous main players. This is a systemic asset and challenge in a society in which rather tendencies of singularization are observed.

THE SECRET OF THE POWERFULNESS OF THE 3-P-MODEL IN APPLICATION

The more than 30 concrete use cases show that at least 3 fundamental steps are needed for successful application:

- the integration and adaption of the – easily understandable - 3-P-Model into one’s meta-level mindset of understanding organization – or alternatively formulated: the entry in one’s knowledge of organization
- perception of Three Pillars as sustainable organizational capabilities and strategic success factors – to be covered by key persons and – systemically – by the organization as a whole
- tailored interpretation of the concrete impacts, demands, impulses of the 3-P-Model and the Three Pillars in the concrete and unique situation of an organization (‘what does 3-P mean concretely for us and which activities does it require?’)

So, the intellectual efforts contain transforming an easily understandable model into real personal knowledge and understanding which can be tailored and suitably interpreted for application in a concrete use case. This procedure is not standardisable but can be supported by suitable examples (use cases of concrete comparable organizations in comparable situations)

RESULTS OF BOOK 1

The key result of book 1 is the development, explanation and broad discussion of the Three-Pillar Model and first use cases to create a deep understanding. In this context, the author community additionally examined, based on their personal professional experience and currently discussed questions, the transformation of organizations in the VUCA world: How to manage the transition from illusions of structural stability to sustainable forms of vivid organization. How to overcome dysfunctional working and leadership styles that we have acquired over the past decades and centuries.

The various perspectives of the authors have provided numerous valuable recommendations in form of a questionnaire touching relevant dimensions of an organizational transition journey. We summarized them less in “10 valuable tips” than in the following questions that should help the readers seriously reflect on the situation in their

organization. You can add further questions, involve other colleagues, explore your priorities, create an action plan or transformation process that supports your organization's journey. And on your way, you keep reflecting on the path, readjusting, rearranging yourself, and continuing.

And if the end result is exactly what you personally imagined at the very beginning, you may have done something fundamentally wrong.

QUESTIONARY

To start with

How do you research and discuss the VUCA world, new market opportunities, business upheavals and changing customer needs - with which friends, colleagues and experts, in which circles, communities etc.? How do you create a common understanding of your entrepreneurial journey?

How do you define, share and review the sustainable meaning and purpose of the company in order to inspire your management teams, employees and customers for the journey, to blend all the ambitions and competencies in the best possible way?

To Mobilize

How do you design a transition process that includes all stakeholders, moving away from illusions of stability and target achievement towards a "travelling organization" that is continuously synchronized with customer needs, market opportunities and technological trends? How do you co-create this process even as a prototype of the future organization?

How do you win people over for the joint journey, in which their curiosity, openness, flexibility, and creativity contribute to the company's purpose and success?

How do you involve all of your teams in order to share the common purpose and to formulate their individual contributions to success? How do you interconnect people's personal journeys with the company's journey, the common purpose with the motivations and interests of your "travel group"?

To Develop

How do you use diversities as learning opportunities in valuable discussions, e.g. global vs. local organization, operational experience vs. fresh thinking, classic procedural models vs. agile practices? Which practices and processes do you use to evaluate resonances, suggestions, differences, feedback, conflicts and to make them productive?

How do you develop an agile mindset with which you enable and encourage your teams - from the operational level to top management - to experiment with fast development, failure and learning loops? How do you share the success and impact of this joint endeavor, and how do you develop it further?

To Network

How do you interconnect your resources across internal and external structural boundaries: purpose, strategy, ambitions, skills, products, processes, technologies, architecture, spaces, structures, roles? How do you overcome barriers of separative thinking in terms of positions, functions, disciplines and professions?

How do you create opportunities in processes, projects and change work where people can bring in their specialist knowledge and creativity across organizational boundaries? How do you appreciate and blend different personal working styles, promote diversity in teams and encourage alternative approaches in order to achieve greater benefit? How do you develop trust for the personal exchange of opinions and ways of thinking, experiences and expectations, critical points and controversial beliefs?

To Lead

How do you promote connectivity and collaboration as a prerequisite for the success of companies, teams and employees on an uncertain journey into an uncertain future? How do you ensure clarity and commitment, respectful behavior and psychological security that arise through real cooperation instead of the illusion of structural stability? How do you connect your own daily management practice with the company's purpose? How do you create learning opportunities for employees who can take on flexible leadership roles, manage processes and projects, moderate meetings and conflicts, in this way experiencing a new level of self-efficacy in the journey?

How do you communicate clearly and frequently, via chats, social media and meetings, and discuss how the three pillars are realized in your organization? How do you ensure

creative interventions that support the development in organization, collaboration and leadership – here and now, and sustainably.

To Navigate and Control

How do you align your strategic innovation and project portfolio and your roadmap to the purpose, flexibly linked to other management processes (e.g. knowledge management, strategic personnel development, business and organizational development, etc.)

How do you introduce agile platforms and procedures to support cross-organizational communication and collaboration, such as spaces for innovation work and work hacks, scrum, prototyping and micro-projects?

How do you install planning, reflection, feedback and learning processes that bring the traveling organization, teams and people into harmony and keep them connected? How do you rate the development and the success? How do you readjust regularly?

RESULTS OF BOOK 2

The 3-P-Model developed in book 1 was applied in more than 20 cases to challenge the strength, the power and the special ability of the 3-P-Model in different contexts. The results are really promising and underline the model's relevance across industries and types or organization.

The 3-P-Model can be beneficially applied

- on diverse levels, from a meta-level of understanding general coherencies to giving orientation to a method for concrete action, for retrospective analysis or to design and plan future developments etc.,
- for the public and the private sector,
- in a wide field of different industries,
- in different development states of organizations (start-up to well established)
- for fundamental thoughts on leadership and management as well as for concrete design proposals.

Beside the diverse case descriptions, we found an increasing number of hybrid situations in the organizations, e.g., classic and agile units, traditional and start-up

business, organic and excessive growth, entrepreneurial inspiration and strong regulation, ambidexterity of line and project management, different working modes along a product-life cycle etc. These organizational systems (including planning, budgeting, controlling, decision making, reporting, risk management, remuneration, roles & responsibilities etc.) have been refined over decades and underpinned with comprehensive IT and data management systems.

Concerning the pandemic, we additionally learned in book 2 that the Three-Pillar Model fits different phases of companies and institutions - previous normal mode, ongoing crisis mode, consolidation mode, next future mode. The sustainable purposes were challenged in the crisis which underlines their importance for people who care about future development - in their team, in their organization, on the planet. In terms of the travelling organization we learned that the journey is not only uncertain, but also requires the competence to vary speed very quickly, and to understand complex timing issues: slowing down, re-accelerating, dealing with time loops and hysteresis. And finally, the connectivity of resources, of experts, of politicians, of all people, and of money, material, communication: these all determine success or catastrophe.

Whether crisis mode, innovation mode or routine mode etc. - they all have to be differentiated in a "mode model" that is appropriate for your company. All modes have to follow the purpose, are part of the travelling organization, need competences and resources that have to be interconnected in a fruitful coexistence and managed in a well-coordinated manner.

Last but not least, we found that the 3-P-Model can easily be combined with other complementary management tools. Why does this work? The beauty of the 3-P-Model is its general applicability, simplicity and openness. It can be easily communicated, and people understand it very fast. So, we can use the model immediately in a discussion about how it can help to solve a problem, regardless of the organization or industry - it uses a universal language so to speak.

Within the framework of the Three-Pillar Model, different methodologies can be utilized such as Lean, Scrum, Project Management Models (e.g. PMI) or Design Thinking. The complication with some of those methodologies is that people need to invest time to learn their structures, procedures, and terminology before they can use them effectively and with the same understanding. Nonetheless, you can use those methodologies with the 3-Pillar Model. You can combine the backlog of ranked functionalities, as provided by Scrum, with the question of the development's purpose, its relevance in the

organizational journey and its connectivity to other initiatives, processes and knowledge that should be brought in. This can additionally support the orientation, motivation and engagement in the development team.

The 3-Pillar Model is thus a great starting point for each transformational activity with the basic goal to frame the purpose, review how to travel towards or within this purpose and validate how to best connect the organizational and personal resources. Based on this foundation, different methodologies or approaches can be applied to work this out in detail or to deliver dedicated outputs - with the 3-Pillar Model serving as the bracket to keep everything together and as a tool that helps to continuously discuss and diagnose the status of a transformation in a way everybody understands.

FEEDBACK AND EXPERIENCES

"The 3-P model shows what matters in organizational reality and what should be a matter of course in every company - but isn't. That's why the model so easy to understand and so affecting."

The 3-P Model has already shown significant benefits, which have been studied and described by the authors in our two books and confirmed in practice. It helps to ...

- Understand and explain the success or the barriers of organizations in a focused way.
- Describe the situation in organizations and to find appropriate approaches to action.
- Develop solutions that support the performance and resilience of organizations in terms of competencies, practices, processes, structures and systems.
- Design highly effective transformation processes.

The impact and success of the model are based on the fact that ...

- The three pillars offer an explanatory model for strengths and weaknesses, opportunities and risks in companies and organizations, which are quick and easy to understand and are widely accepted by practitioners
- It does not pretend to be a recipe, but stimulates constructive discussion and commitment that is urgently needed to shift the organization's maturity significantly
- It is open to specific, methodical design in the respective organizational situation.

CLOSING WORDS

Finally, let's come back to one of our first statements: It's all about investing our valuable energy, motivation and capacities in working on an inspiring purpose, contributing to the corporate journey and building the connections to co-create joint success. Let us remember again and again that the impact and value of a resource is zero if it is not connected and does not interact with others. And that even structural hurdles are cultural - otherwise someone would have removed them.

We went through numerous considerations and a joint process, linked our experiences, ideas and feedback, and followed our goal: to contribute questions and insights on organizational design and management development. We focused on three pillars and found that these are essential for organizations.

These "pillars" aren't surprising because they're so natural, obvious, and simple. However, they are not applied consistently and systematically in many companies. That is why we want to make a difference, away from structural and formal overkill, which not only does not help in the face of increasing complexity, but has also developed into a complexity and cost driver in its own right. This is why many people today have the feeling that they serve the organization (instead of the other way around), that they serve their superiors (instead of their customers), that the organization is fragmented and not held together to create a contribution for a better world together. Let's change that radically.

To all fellow travelers: A big thank you for your dedicated participation, personal reflections, hundreds of inspirations, and the joint lateral thinking and further thinking

THE BOOKS

Wollmann, P.; Kühn, F.; Kempf, M. (Ed.): Three Pillars of Organization and Leadership in Disruptive Times - Navigating Your Company Successfully through the 21st Century Business World. Springer, Berlin/Heidelberg 2020

Wollmann, P.; Kühn, F.; Kempf, M.; Püringer, R. (Ed.): Organization and Leadership in Disruptive Times - Design and Implementation of the 3-P-Model. Springer, Berlin/Heidelberg 2021

MORE ON THE TOPICS:

Kühn, F.; Wollmann, P. (Ed.): Interaktion als Organisationsstrategie. ICG, Berlin 2012

Kühn, F.; Haselbach, D.; Gustafsson, T.: The Art of Travelling – Creating a Shift Towards a Resilient Organization. In: Change Magazine 2/2013. ICG Graz, 2013

Reckwitz, A.: Die Gesellschaft der Singularitäten. Suhrkamp, Berlin 2017

THE EDITORS

Peter Wollmann has been a responsible manager, initiator, mentor and facilitator in large, predominantly global transformations and strategic developments for almost 40 years. His specialties are the implementations of the Three-Pillar Model in organizations and focused setting checks to identify strength, weaknesses, opportunities and threats and facilitate optimization measures. Since 2017 Peter has been working independently in organizational projects and future initiatives. After graduating in mathematics and physics from the University of Bonn, he began his professional career at the Deutsche Herold, then insurance group of Deutsche Bank, took on strategic leadership and most recently was program director for global transformations in the Zurich Insurance Company (ZIC). In his professional network, he brought his experience and strategic thinking to the development of various leading companies. He is the author and publisher of a number of books and articles on strategy, leadership, and project and project portfolio management. He also founded a wine business: VinAuthority.

Frank Kühn has been supporting companies and institutions for many years in the areas of organization and leadership, change and project management. He brings his experience to developments such as the Three-Pillar Model and systemic setting checks. Frank has a doctorate in work science. After leading positions in research and industry, he was a partner at HLP in Frankfurt and the ICG Integrated Consulting Group in Berlin and Graz. Today, he is an independent consultant, business partner of ICG, and associated with other project partners and think tanks. He has published numerous articles in management journals and books.

Michael U. Kempf has been an experienced Management Consultant for over 20 years. The driving force of his professional activities is his strong ambition to design processes and organizations in a sustainable manner. He relishes identifying key challenges, diagnosing complex relationships and assisting in shaping the future. Gaining experience and learning something new are indispensable parts of his life, which is why he likes to seize new chances. He began his career as a carpenter before studying social work, education and business administration. His career has spanned various jobs in social work, 10 years as a manager (HR and logistics) in industrial and retail companies and, since 1998, in advising people, leadership teams as well as working teams and organizations that are all very different. Michael has co-authored numerous publications in the field of leadership and organizational development.

Reto Püringer (editor from book 2 on) has worked for more than 20 years in the banking and insurance industry. He has held various senior positions in global companies. His practical experience ranges from Strategy Development, Business Model Design, Product/Proposition Development/Management, Enterprise-wide Portfolio Management, Program/Project Management, Operations/IT Management, Large Scale Change Program Delivery to Financial/Actuarial Management over different geographies and time zones, hierarchies and units, cultures and systems. Reto has managed multinational and multicultural change and transformation efforts across the globe and managed teams of various sizes both on site and remotely. Reto holds a degree in Economical Informatics and Marketing and completed an Executive MBA at the University of Zurich.

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