Organizational Health: The Key to Success

National League of Cities Trustees Conference

Get Enthused! Make it Happen.
What is Organizational Health?
At its core, organizational health is about **integrity**. An organization is healthy when it is whole, consistent, and complete; when its management, operations, strategy, and culture fit together and **make sense**.
Smart vs. Healthy

**Smart**
- Strategy
- Marketing
- Finance
- Technology

**Healthy**
- Minimal Politics
- Minimal Confusion
- High Morale
- High Productivity
- Low Turnover
Business Case for Organizational Health

The difference between successful and mediocre organizations has little to do with how smart they are.
Business Case for Organizational Health

A Smart (only) Company…

- Only gains incremental and fleeting advantages
- Can fail if it lacks organizational health
- Will not necessarily become healthier due to its intelligence
- Can struggle to acknowledge flaws
Business Case for Organizational Health

A *Smart (only) Company*…

- Is less open to learning from peers
- Lacks openness and transparency
- Is distracted by politics
- Suffers from confusion
- Is slow to recover from mistakes
Business Case for Organizational Health

A Healthy Company...

- Will inevitably become smarter over time
- Learns from one another
- Identifies critical issues
- Makes better decisions
- Continues to improve over the years
Business Case for Organizational Health

A Healthy Company…

- Taps almost all of the knowledge, experience, and intellectual capital that is available to it
- Recovers from mistakes quickly
- Doesn’t let dysfunction, ego, and politics get in the way
Can we afford to be *un*healthy?
The Cost of Poor Organizational Health

- Employee disengagement (estimated cost = $34 per $100)
- Workplace misery
- Lack of productivity
- Wasted resources
- Increased turnover
- Customer attrition
- Unhappiness
- Lower self-esteem
- Spills over to family life
What are these costing you?

• The Leadership Team
• Your Department
• You Personally
Why is organizational health overlooked?
Why is Organizational Health Overlooked?

- It isn’t sexy/exciting
- Not highlighted in the media
- Considered theoretical, not practical
- Doesn’t seem to be anything new
The Three Biases

1. The Sophistication Bias
   “It’s too simple to be important.”

2. The Adrenaline Bias
   “Other things are more urgent.”

3. The Quantification Bias
   “There’s no way to measure its impact.”
The Four Disciplines
The Four Disciplines

1. Build a Cohesive Leadership Team
2. Create Clarity
3. Over-Communicate Clarity
4. Reinforce Clarity

ORGANIZATIONAL HEALTH
1. Build a Cohesive Leadership Team

Practice the *Five Behaviors* that support healthy teamwork.

- **Trust**: Vulnerability Without Fear of Repercussions
- **Conflict**: Constructive Debate
- **Commitment**: Clarification and Buy-In
- **Accountability**: Full Attainment of Commitments
- **Results**: Focus on Collective Outcome

*Focusing on...*
2. Create Clarity

Achieve alignment around why we are here and what we need to do to succeed.

The Strategic Playbook

- 1-2 page document
- Answers 6 critical questions
- Carried at all times to keep goals alive and accessible
- Drastically improves the odds of running the organization in an aligned, consistent, intentional way.
3. Overcommunicate Clarity

Cascade messages that are understood, internalized, and embraced by everyone.

- Repetition
- Simplicity
- Multiple mediums
- Cascading messages
  - Consistency of message
  - Timeliness of delivery
  - Live, real-time communication
4. Reinforce Clarity

Create organizational systems that support and reinforce the mission, values, and strategies.

- Recruiting & Hiring
- Orientation
- Performance management
- Compensation & Rewards
- Recognition
- Firing
Assessing Your Team
Self Reflection

• What can you do to help overcome the biases that prevent your team from focusing on organizational health?

• Which of the four disciplines do you need to improve upon?
JOIN our mailing list!

Just send your email address by text message:

Text
GETENTHUSED
to 22828 to get started.
Thank You!

KJR Consulting
LEARNING & DEVELOPMENT CATALYSTS

1239 Edgell Road, Suite LL
Framingham, MA 01701

(860) 286-9557
(208) 545-8634
info@KJRC小儿k.com

www.KJRC小儿k.com

Get Enthused! Make it Happen.