

# Ongoing Discussion “Thought Piece”

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# **The Last Frontier for Global Competitive Advantage: *The Four Pillars of Organizational Greatness***

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## **Abstract**

It has been well documented that corporate cultures espousing creative and innovative thinking [and actions] are leading us from the information age to the innovative age. Achieving high levels of efficiency and conformity is not considered to be a sustainable competitive advantage in today's global market. Typically, when business is *good*, companies tend to focus attention and resources externally, on innovation, new products/services, marketing strategies, or basic R&D. However, when business is *tough*, companies tend to focus attention and resources inward, on slimming down, improving processes, cutting waste, and reducing spending.

This paper discusses original thoughts, concepts, and business models with regard to balancing two distinct paths to sustainable competitive advantage – efficiency and innovation – which often seem at odds with one another. The authors will also introduce a relatively unpublished area of leveraging internal sources of involuntary, creative thinking. Lastly, it also offers multiple venues to support organizations in their quest for business, product and performance excellence.

## **Redefining Intrapreneurship**

Every year, corporations spend millions of dollars intending to generate creative and innovative thinking. More often than not, innovation is sought from external sources – hiring new talent, contracting with outside consultants, acquiring smaller, innovative companies, etc. In today's competitive markets, employees are being asked to offer greater creative input. However, this new expectation is difficult for employees to balance with existing demands of increased production, efficiency and quality. A review of current business literature indicates innovation as a popular path to competitive advantage, with companies (including one current client) going as far as requiring employees to take psychological exams to elicit whom their creative thinkers might be.

Creative – even inventive – employees have traditionally been labeled “intrapreneurs.” The label implies that they are simply entrepreneurs working inside a corporate setting. These involuntary, out-of-the-box thinkers tend to function in the areas of quality assurance, project management, or training; and their work can and often creates a natural internal tension with other people, project teams, and managers. They tend to ask the “whys” that can make peers (and some managers) uncomfortable. Laurin and Morningstar's current research on intrapreneurs indicates that they are quite different than entrepreneurs, and quite shockingly, *these out-of-the-box thinkers know they are highly untapped fountains of creativity and innovation.*

When asked in a recent survey, these corporate creative thinkers defined themselves as square pegs, change agents, mavericks, loose cannons, systems thinkers, heroes, geniuses, and innovators...among a few less favorable names. The most telling pattern found in their responses

indicates individuals who – in their own words – refer to the **unusual nature of their highly creative and involuntary thinking about their own organizations and the processes they work in or manage**. These workers’ unique contributions create and drive significant, sustainable competitive advantage. They are *unintentionally* deeply passionate about their work and report finding motivation and reward in having the latitude and ability to execute notable, sustainable improvements within [and for] their organizations.

Unfortunately, however, the survey also revealed that their out-of-the-box thinking is often perceived as a threat by those around them. They *just do not fit* within the corporate norms. Many are not motivated by the same incentives as other employees, and they tend to have difficulty managing their careers (unless they have found a relatively progressive company that not only encourages, *but rewards* risk-taking and out-of-the-box thinking and/or leadership).

While executives and managers report that innovative, out-of-the-box thinking is highly encouraged, Laurin and Morningstar’s survey revealed that many of these uniquely creative business thinkers have been sabotaged, punished, outcasted...even let go, in some cases. According to the surveys, it does not take very long for out-of-the-box thinkers to learn to temper their thinking and involvement; minimize their creative contribution; and focus on other, more acceptable efforts (i.e. quality assurance, process improvements or problem solving). In other words, these fountains of untapped creativity climb back into the proverbial box and learn to stay well under the radar – thus, *purposefully* holding back opportunities for their employers leading to a greater number of competitive advantages. Based on their studies and noted differences between intrapreneurs and entrepreneurs, Laurin and Morningstar have coined a new term for these uniquely creative, involuntary business thinkers.

### **Who Are My Rudolphys?**

In 1939, Dartmouth graduate, Robert May, published the beloved Christmas tale titled, “Rudolph, the Red-Nose Reindeer” as an assignment from his employer, Montgomery Ward. As most people may not know, Rudolph’s challenges, unique talents, *and* successes mimicked May’s own life and parallel the lives of many out-of-the-box thinkers. Laurin and Morningstar believe May’s intention was to create a character with unique talents who was somewhat of an outcast and who, once recognized, rises above the challenges and contributes to the success of the mission (in the story, delivering all of the presents by Christmas morning).

Alas, Laurin and Morningstar are calling these highly creative, involuntary thinkers and passionate contributors to an organization’s competitive advantage – who are often mismanaged, underutilized and misunderstood – *Rudolphys*. They encompass a very small percentage of any given corporate population. However, their unique talents are grossly untapped because they have been difficult to identify and manage, and because of conditioned, “get-back-into-the-box” survival skills. The most noted survival skill by Rudolphys revealed in the authors’ research was the *purposeful restraint of business creativity*.

While sprinkled throughout an organization and resembling other employees, Rudolphys should not be confused with workers or managers who do creative things. They are quite different and have (on occasion) been mistaken as “difficult employees.” While they may sometimes appear to be difficult, this perception is generally a result of their not fitting in. Rudolphys’ natural lens of

the world tends to emphasize interrelationships between many organizational processes, rather than seeing strategies and operations as singular, linear processes.

Depending on leadership style, hierarchical structure, and the culture of an organization (combined, these contribute to what the authors are calling “Corporate Fabric”), Rudolphs can choose to contribute fully to their potential or remain under the radar for literally *decades*. Often times, they will move from one company or department to another until they find a conducive environment where their thinking is seen as an asset, rather than as a personal liability. *And until now, there has not been a system to identify, foster, manage, and leverage their thinking to achieve higher levels of efficiency **along with** greater innovation, resulting in true sustainable competitive advantage.*

With the increase in automation, outsourcing repetitive-based labor, and globalization, Laurin and Morningstar believe the most telling factor of global competitive advantage is management’s ability to balance innovation with high levels of efficiency. With the capacity to hire expensive outside talent, purchase advanced technologies, or practice the latest quality initiatives, this untapped strategic advantage of harnessing unique and involuntary thinking of Rudolphs is today’s differentiator between ordinary and highly-successful organizations. Laurin and Morningstar have coined the process of identifying, fostering, managing, and leveraging this thinking as the **Four Pillars of Organizational Greatness**, and more notably, it often *does not require using or spending any additional money or resources.*

While Laurin and Morningstar recognize there is not a “one-size-fits-all” organizational structure or hierarchy, they do believe that within every type of organization and industry, there are basically three essential creative roles as follows:

- Executive leadership – develops the vision, formulates strategy, adapts to changing market demands, and can initiate change (among other skills)
- Managers – translate vision into action, oversee all processes, and can initiate change
- Workers – implement daily operations, and can initiate change

No matter what type of industry, how big or small the organization, how flat or layered the hierarchical structure, or how high or low-tech the products and/or services may be, **the focus on innovation with attention to efficiency to secure sustainable competitive advantage is the name of the game.** Companies, like 3M and Google, based their inception, leadership, culture, and reward structure to support innovation as a long-term way of organizational life, rather than a series of one-time initiatives or events. An article published in BusinessWeek (June 2007) addresses 3M’s struggle between efficiency and innovation, reflecting the balancing act that many companies are performing to garner innovative ideas in a prevailing mechanistic, Six-Sigma-oriented business culture.

The authors believe a **system** to identify, foster, manage, and leverage today’s uniquely creative and involuntary thinkers in business continues to be the missing link in the quest for sustainable, global competitive advantage. The *Four Pillars* are not a new tool or new leadership style. It is not a new improvement initiative or set of performance criteria (a.k.a. flavor of the month). The *Four Pillars* embrace all business tools, techniques, initiatives, and performance criterion. It is the fabric from which organizational culture is manifested. It works because of a number of

essential components that will be fully addressed in their forthcoming authorized book about Boeing's C-17 Program transformation.

Consider the amount of money and resources invested in employees to improve efficiencies and profits. Then, consider all of the Rudolph thinkers who leave their companies (or are hired away by their competitors) because their environment is not conducive to contributing. It is impossible to accurately account for the negative impact companies realize by unintentionally doing nothing to retain their most cost-effective and valuable business innovation resource. It is this small percentage of the corporate population walking out the door day after day who are naturally armed to bring their respective companies an on-going pipeline of sustainable competitive advantages.

To be released in mid- 2009, Laurin and Morningstar are capturing the thinking and guiding principles of The Boeing Company's C-17 Program's large-scale transformation from adversity, compromised quality, and potential extinction to winning a National quality award within a phenomenal five-year time frame. While this company used many of the same tools, initiatives, and cutting-edge performance criteria that others are implementing, their *thinking was (and continues to be) quite unique*. They created a system for fostering and leveraging talent out of their existing employees and managers. It started with the leadership's mindset. While their vision came from the top-down, the creative and innovative thinking (bringing vision to life) was percolated from the bottom-up. Their ability to generate a collective mindset and create a system to leverage their internal talent is repeatable and replicable to any other type of company in any industry.

### **A Distinguishing Feature of The Four Pillars of Organizational Greatness: Is your company prepared?**

As noted in a recent *Fortune* magazine article titled, "You Raised Us, Now Manage Us," this is just the beginning (June 2007). The article reported a whole new generation of these types of thinkers, stating, "this crop of twentysomethings really *is* different" and offers a field guide to "Gen Yers." The type of people they are referencing in Generation Y are very similar to the types of people Laurin and Morningstar consider to be Rudolphs (with some notable differences as well). According to the article, managers are missing the mark in how they recruit, retain, and reward these high-maintenance – yet equally high-performers. There has been very little written about the identification, management, and leveraging of out-of-the-box-type thinking.

Rudolphs, as well as Generation Y'ers, work very hard in an effort to achieve their highest level of self-actualization – leaving their indelible fingerprints throughout the organization and generating millions of dollars in savings or new revenues. These folks want to make a profound difference and have the awareness and abilities to make it happen, given the *right* leadership, culture, fabric, and structure.

One would think the passionate contributions of Rudolphs would be welcomed in any organization, but the reality is not so. When surveyed, Rudolphs reported their good intentions and actions are sometimes perceived in a negative light by others. When this occurs, they begin weighing out their options to stay or leave. More often than you can imagine, they pack their bags and take *millions of dollars of creative and innovative ideas to their next employer in the hopes that they will be able to contribute to their potential*. Often times, Rudolphs work for

many employers over the course of their lifetime and are quite passionate about making a positive and sustainable impact for whomever they are working for. Their thinking is truly quite different than the majority of workers, managers, and executives, and they most will likely to continue to be “under the radar” until systems, leadership, processes, and structures allow them to safely surface and contribute their natural talents.

## **Original Business Model Development**

The authors’ aim is to facilitate the further development of healthy, vibrant organizations that support wide-band communication of diverse modes of thinking, multiple intelligences, and a variety of values expressed by each of the creative roles in business. Having a system to identify, foster, manager, and leverage the thinking of business Rudolphins will be a major determining factor to the long-term success of ANY type of organization including manufacturing, the service industry, health care, education, and government entities. In short, The Four Pillars of Organizational Greatness present an untapped, sustainable competitive advantage in the marketplace – and could be the difference between a company’s survival and performance excellence.

A relatively small percentage of business-oriented Rudolphins is essential in every company, depending on a number of variables including but not limited to 1) the corporate mindset, 2) the size of the company, 3) the type of industry, and 4) the progressiveness of leadership. It is clear that today’s prevalent organizational chart does not offer the necessary safe environment for Rudolphins to flourish, nor does it allow for employers to realize the full economic benefit of Rudolphins’ natural business thinking. While Laurin and Morningstar believe that altering the current structure is too radical an idea for today’s corporate mindset, they have developed a new and innovative alternative.

Laurin and Morningstar believe one element of leverage the unique thinking of business-oriented Rudolphins is by creating an Enclave™ of *self-identified* Rudolphins who will continue to work in their current capacity, can contribute their thinking via an appendage that is connected to the traditional corporate structure by way of an Executive Vice President (EVP) or Chief Operating Officer (COO). No one in the organization is excluded from the Enclave; however, Rudolphins will likely be the likely users of this unfettered path to make a difference. As the nature of the work conducted by Rudolphins has a strong, tactical inclination towards processes and operations, Laurin and Morningstar are not suggesting having the Rudolphins displaced from their current positions to their own department, on a special team, or special functional area – that would simply be replicating a traditional R&D Department, Project Team, or Special Task Force-type orientation. These are all different concepts than the Enclave.

Rudolphins should *continue to be sprinkled throughout the organization as they currently are* but will have the Enclave as a system to work within, a place to meet and share ideas amongst each other, suggest improvements or solutions, and work on projects specifically requested by executive leadership. Innovation, invention, and agility are protected within the Enclave. Because Rudolphins work in many different areas of the company, they bring a wide range of different skills, perspectives, and experiences to contribute to a given problem or opportunity. As previously mentioned, everyone within the organization has access to and can work in the Enclave; however, it is believed that Rudolphins (who have different motivations than most

employees and are typically very passionate in finding the best solution for the overall organization) will likely get the most mileage out of this system.

### **Projects Supporting Capturing this Unique Space of Business Innovation**

The authors' vision is to create a global business community by unleashing natural (and involuntary) creative and innovative thinking within (i.e. within self and collectively, within organizations). To assist companies in accessing the benefits of identifying, fostering, and leveraging their Rudolphs, non-traditional and progressive books, presentations, workshops, as well as educational and consultative components are currently under development.

Three separate and distinct book projects are underway capturing this relatively unknown business genre. One will be titled *Orchestrated Randomness*, as a higher-level overview about unleashing one's extraordinary potential through specific channels of awareness, abilities, and action. The primary audience is executive leadership. It will offer cutting-edge models and anecdotal information from people who have maximized their ability to recognize opportunities and act on them. Concepts in this book will be complementary to the other two books, as described below.

Co-authored by Cyndi Laurin and Craig Morningstar, a second book will reveal very specific thinking and tactics to identify, manage, and leverage the thinking of Rudolphs. They have authorized rights to work with The Boeing Company's C-17 Program and will share the thinking behind this highly-notable and successful, large-scale transformation. The primary audience for this book is mid-to high-level managers, business-oriented Rudolphs, and workers who aspire to management roles/functions.

A third book (in today's popular parable format) addresses the awareness and abilities of front-line workers to manifest ideas and concepts into reality. This will be a quick-and-easy read, like many other top-selling business parables, but will link concepts to the other two books. In this way, all members of an organization have a resource to be on the same page.

With an extensive and successful history of keynote presentations and workshops with some of the most recognizable companies in the world, Laurin and Morningstar are delivering keynote presentations and highly-interactive workshops to organizations on the subject of highly creative and innovative thinkers and *The Four Pillars of Organizational Greatness* with very positive feedback.

In recognizing and documenting the unique way in which these unique individuals think and behave, these books and programs will be like nothing that currently exists in the business world.

## **QUESTIONS TO PONDER FOR JUNE'S ONGOING DISCUSSION:**

- 1) What do you believe hinders you from involuntary, creative contributions to your organization?
- 2) How does the management in your organization motivate or inspire out-of-the box thinking?
- 3) How does the management in your organization reward (or punish) out-of-the-box thinking?
- 4) Describe a thought or belief held by senior management that hinders your organization's greatness?
- 5) How do you identify out-of-the-box thinkers/change agents/innovators/Rudolphs?
- 6) Are you a creative and innovative person who thinks about improving things in your organization during non-work hours? If so, what do you think about? How many "extra" hours a day do you spend involuntarily thinking about work?
- 7) How do you balance innovative, creative thinking with process improvement initiatives mandated by management?
- 8) What is an essential element to getting employees to contribute their innovative thinking?
- 9) Does your management have a process for generating spontaneous creative and innovative thinking from employees? If so, what does it look like?



## **Biographical Information about Cyndi Laurin and Craig Morningstar:**

**Cyndi Laurin, Ph.D.** is an author, popular international speaker, and business developer. Having taught for over 10 years in the College of Business at Cal Poly State University, San Luis Obispo and more recently with California State University, Dominguez Hills and The National Graduate School, her insights and expertise in process improvement and performance management are transforming both domestic and international organizations.

Cyndi's book titled, *Catch! A Fishmonger's Guide to Greatness* was released in January 2004, has sold over 60,000 copies, is translated into 13 languages, and was awarded the Independent Publishers Book of the Year in the Business/Career category. In 2005, Cyndi founded Guide to Greatness® LLC and travels regularly for keynote presentations at private and publicly-traded companies and for regional and international conferences. Link to her website, [www.guidetogreatness.com](http://www.guidetogreatness.com) for more information about Cyndi and her efforts.

**Craig Morningstar** is the President of Synergy Business Associates and has recently partnered with Cyndi. Craig's background includes 8 years at Southwest Airlines and 8 years at Charles Schwab in addition to starting, owning, operating, growing, and selling a total of nine companies in the import/export industries as well as software development, office maintenance, retail distribution, transportation shipping, and business services and consulting.

In addition to public speaking and media presentations, he holds multiple certifications and licenses in the quality, finance, and aero-industries. He participates on multiple professional boards and associations - he (and Cyndi) are members of the Valley Advisory Group (VAG) - a Regional Capital Development Organization - located in Scottsdale, Arizona.