

Obsessions Of An Extraordinary Executive: The Four Disciplines At The Heart Of Making Any Organization World Class

Patrick Lencioni, Jossey Bass Inc., September 2000. 183 pages

“A healthy organization is one that has less politics and confusion, higher morale and productivity, lower unwanted turnover, and lower recruiting costs than an unhealthy ones. No leader I know would dispute the power of these qualities, and every one of them would love his or her organization to have them. Unfortunately, most executives struggle with how to go about making this happen.”

In this remarkable book, Patrick Lencioni uses a fictional story of 2 CEO's, Rich O'Connor of Telegraph Consulting and Vince Green of Greenwich Consulting. The companies that they founded and run are alike in many ways. Both are in the business of technology consulting, both are headquartered in the same city, their revenues are roughly equal; the services and products they offer are similar; they compete for many of the same clients. The men themselves share many characteristics. Both graduated from Berkeley in the same class; they are the same age and are devoted family men. But three years into the business, Rich O'Connor made some fundamental changes in how he was going to spend his time and as a result, he and Vince Green became very different CEO's, and their companies, became very different organizations.

In a chapter called Desperate Epiphany, Rich O'Connor, feeling the pressure of seventy hour work weeks, the need to stay on top of technology advances, running the business and missing one after another of his kid's Little League games, decides that he must either find a way to become a better leader and restore some balance in his life, or sell the company. It is a struggle, but he finally writes one question on a piece of paper, “What Is the One Thing That I Do That Really Matters To the Firm?”. The answer provides a pathway for Rich to figure out what he must do to be a better and more effective leader, and run a better business.

Lencioni boils it down to 4 key disciplines and provides a wealth of examples and specifics about each discipline. The 4 Disciplines are:

Build and Maintain a Cohesive Leadership Team. This is the most important discipline because it sets the stage for the remaining three disciplines. It is also the most difficult to achieve, because it requires commitment, trust and effectively working to eliminate politics, which seems to be a key ingredient in so many workplaces. Without a cohesive leadership team, the results are wasted time, energy and talent. Lencioni argues that while most executives are aware of politics in their organization, they vastly underestimate the magnitude and impact of politics on people throughout the organization. Cohesive teams build trust, eliminate politics and increase efficiency.

Create Organizational Clarity. Organizational clarity is not just about finding and wordsmithing the best words to describe a company's vision, mission, strategy or values. At its core, it is about agreeing on the underlying fundamental concepts. When done well, it provides employees at all levels with a common language and clarifies what is and is not important. It helps people at all levels to make better decisions, decisions that are in sync with what is important to the organization. The result is a more focused and efficient organization.

Over Communicate Organizational Clarity. This is a follow on to the second discipline and is where the clarity which has been achieved at the senior levels of the organization, is moved more deeply into the organization. Employees throughout the organization understand their role and how they contribute to its success. Lencioni writes, “employees in healthy organizations may joke, or sometimes even complain, about the volume and repetition of information that they receive. But they'll be glad that they are not being kept in the dark about what is going on.”

Reinforce Organizational Clarity Through Human Systems. An organization has four basic human systems at its disposal: hiring, managing performance, rewards and recognition, and employee dismissal. Using them effectively ensures that employees will be hired, managed, rewarded, and even fired for reasons that are consistent with organizational clarity. The ongoing challenge here is to not overcomplicate the systems with bureaucracy.

Lencioni summarizes the book in this way, “There is nothing more important than making an organization healthy. Regardless of the temptations to dive into more heady and strategically attractive issues, extraordinary executives keep themselves focused on their organization's health...There is no substitute for Discipline. No amount of intellectual prowess or personal charisma can make up for an inability to identify a few simple things and stick to them over time.” At Conway Management, we describe this as the **Vital Few**.