

Index

- A**
- Aetna, 118, 157–164, 206
- Apple, 62–63
- Armstrong, Lance, 73
- Assessment, of organizational quotient (OQ), 207, 209–216
- Authority: of formal organization, 21, 22; informal organization not controlled by, 155; motivating improved performance without formal, 111–115; performance beyond formal role of, 115–117
- B**
- Balance between formal and informal, 31–45, 202–203; among Kung bushmen, 39–40; changing, at Manhattan public school, 129–138; defined, 37, 60; at Home Depot, 31–36; impact of growth on, 34–36, 41–44; importance of, 11; Katz's lesson on importance of, 44–45; necessity of, for superior performance, 37–38; shifting between managing and mobilizing to maintain, 172–173; at Starbucks, 38–39; in strategic planning, 176–177. *See also* Organizational quotient (OQ)
- Bank of America (BoFA), 111–115
- Barnard, Chester, 36–37, 202
- Bauch, Ronnie, 55, 56, 58
- Behaviors: concentration on few, when mobilizing informal organization, 166–167; motivation for changing, 75; as socially contagious, 100
- Bell Canada: balance between formal and informal at, 156; informal communities of pride-builders at, 118, 149–151, 167, 168, 206; job satisfaction at, 71–72; key to change effort at, 142–149, 151–152
- Best practices: applied to managing informal, 155; caution on adopting, 167; formal spread through, 10, 29
- Blank, Arthur, 31–32, 33, 34, 62
- Bower, Marvin, 88, 204
- Brast, David, 96
- Bright, Katie, 170–172
- Burns, Robbie, 141
- Bush, George W.: manager of 2004 campaign of, 80–85; UN ambassador appointed by, 123–129, 205
- Business challenges: helped by mobilizing informal organization, 175–184
- Business-as-science mindset, 51–52
- Business-as-war mindset, 49–51
- Byrom, Keith, 170–172
- C**
- Caja Navarra (CAN), 26–27, 202
- Call center, 201–202; formal blocking informal organization of, 1–3; motivating improved performance at, 111–115
- Capabilities, expanding your, 187–188
- Carlin, George, 73
- Carolan, Ed, 104–111, 205
- Cataphor, 101
- Change efforts: begun by focusing on yourself, 195–196; benefit of mobilizing informal organization for, 26, 165–166; common path in failure of, 141; formal organization's resistance to, 141–142; informal aspects of, 10; limits of rationality for, 22–23; using fast zebras to mobilize, 123–139; using informal

- organization to implement, 142–154.
See also Reorganization; Turnarounds
- Chesnut, Rob, 44
- Choice: as element of Houston Police Department formal program, 65–67; with formal/informal mechanisms, 37
- Christakis, Nicholas, 100, 205
- Coleman, Briain, 91–92
- Communities: as approach to culture change, 182; followers of Apple as, 62–63; as informal mechanism, 24; within networks, 100; of pride-builders, at Bell Canada, 147, 148–149, 151–152, 168
- Consilience: The Unity of Knowledge* (Wilson), 47
- Cost-cutting efforts, 179–181
- Culture: defined, 25; informal, at Home Depot, 31–33, 34–36; transformation of, to turn organization around, 157–164; using informal mechanisms to change, 26, 181–182
- Customer service: beyond formal authority role, 115–117; driven by values, 89–94; improved by making organization accountable to employees, 152–154; input from, for strategic planning, 177; integrating formal and informal in, 182–184; motivating improved, at call center, 111–115
- Darwin, Charles, 27
- Diagnostic tool, to assess organizational quotient (OQ), 207, 209–216
- Donaldson, Bill, 157, 158
- E**
- Education, changing balance between formal and informal in, 129–138
- eBay, 43–44, 203
- Elliott, Mary Anne, 149, 206
- Emotional approach, to management, 14, 15
- Emotional intelligence quotient (EQ), 27–28
- Emotions: as determinants of behavior, 23; discounted by formalists, 19–20. *See also* Pride
- Employees: importance of knowledge about informal organization to, 26–27; laying off, 179–181; making organization accountable to, 152–154; taking pride in stealing from company, 73–74; tips for, on mobilizing informal organization, 184–188
- Empowerment program, New York public school system, 136–138
- Enron, 52, 87–88, 94–95, 97, 203, 204
- Entel, Traci, 183
- Ewalt, Kyle, 115–117, 205
- Exemplar observations, 201–202
- F**
- Fast zebras, 123–139, 205; defined, 124; increasing skills of, in your organization, 138–139; in New York public school system, 129–138; at United Nations, 125–129
- Faulhaber, Mike, 64–65, 66, 67
- Festinger, Leon, 76
- Follett, Mary Parker, 47, 203
- Formal initiatives: need to obtain informal support for, 34–36, 42; successful, due to integration of informal in, 63–67
- Formal mechanisms: choice taken away by, 37; overview of, 20–21; value of, 21–22. *See also specific mechanisms*
- Formal organization: advice on, for future, 198–199; change resisted by, 141–142; characteristics of, 29; defined, 37; example of, blocking informal organization, 1–3; favored by leadership programs, 52–54; as lines, 3; traditional emphasis on, 3, 8; when to emphasize, 28, 38. *See also* Balance between formal and informal; Integrating formal and informal; Rational approach

- Formalists, 8–9, 19–20, 28
 Fowler, James, 100, 205
The Functions of the Executive (Barnard), 37
- G**
- Gentle Giant, 89–94, 204
 Goldsmith, Alex, 58
 Goldsmith, Marshall, 43
 Goleman, Daniel, 27, 28
 Google, 27, 62
 Growth, impact on balance between formal and informal, 34–36, 41–44
- H**
- Hackman, Richard, 59
 “Happiness boys,” 15, 37
 Harackiewicz, Judith, 204
 HCL Technologies (HCLT), 152–154
 Headcount reductions, 179–181
 Herzberg, Frederick, 14, 73
 Home Depot, 31–36, 62, 202
 Homophily, 100
 Houle, Leo, 148, 206
 Houston Police Department (HPD), 63–67, 203
The Human Side of Enterprise (McGregor), 14
 Humanist approach, to management, 14, 15
- I**
- IDEO, 86
 Informal mechanisms: acceptance of formal initiatives dependent on, 34–36, 42; choice necessitated by, 37; overview of, 23–25; using, to change culture, 26, 181–182. *See also specific mechanisms*
 Informal networks: building connections to, 186–187; as informal mechanism, 23–24; involving, in cost-cutting efforts, 179–181; mobilizing, to support reorganization, 5–6; transmission of values through, 99–101, 204–205
 Informal organization: advice on, for future, 198–199; characteristics of, 29; culture vs., 25–26; defined, 37; example of, blocked by formal organization, 1–3; focus on, in bank transformation, 26–27; increased importance of, 3–4; invisibility of, 48–49; Katz’s discovery of, 16–19; management mindsets inhibiting comprehension of, 49–52; as outside lines, 3; performance and, 103, 118; when to emphasize, 28–29, 38. *See also* Balance between formal and informal; Integrating formal and informal; Mobilizing informal organization
 Informalists, 9, 28
 Innovation, 177–179
Inside Home Depot (Roush), 31
 Inskeep, William, 18–19, 25
 Integrating formal and informal, 47–67; advice on, for future, 198–199; Aetna’s turnaround based on, 157–164; benefits of, 4; in customer service, 182–184; defined, 60; by fast zebras, 126–129; in Houston Police Department (HPD), 63–67; indicators of, 61–63; for innovation, 177–179; integration defined, 47; to motivate improved performance, 115; necessity of, 6–7; in Orpheus Chamber Orchestra, 54–60; reasons for difficulty of, 48–54; tips on, to improve performance, 117–118
 Intelligence quotient (IQ), 27, 28
 Inventory tracking system, 35–36
- J**
- Job satisfaction, 71–72. *See also* Pride
 Johnson & Johnson, 89
- K**
- Katzenbach, Jon, 5, 16–19, 44–45, 72, 186
 Katzenbach Partners, 5, 115, 203, 204, 205, 206
 Kelleher, Herb, 153

Khan, Zia, 5, 50, 58, 71–72
 !Kung bushmen, 39–40, 202–203
 Kurtz, C. F., 165
 Kuznar, Mike, 98–99
 Kwok, Tony, 71, 144–145, 146, 181

L

Latham, Gary, 73–74
 Leadership programs: formal organization
 favored by, 52–54; power of fostering
 pride in work ignored by, 146
 Leavitt, Harold, 14–15, 202
 Logic. *See* Formal organization
 Loyalty, 25, 75

M

MacIntyre, Henley, 125–126, 138, 181, 205
 Magic. *See* Informal organization
 Management: advice on improving
 your approach to, 198; by bestowing
 power on others, 84–85; mobilization
 vs., 155–156; rational vs. humanist
 approach to, 13–15, 217n6
 Managers: business-as-science mindset
 of, 51–52; business-as-war mindset of,
 49–51; skilled in motivation, as key to
 transforming organization, 144–149;
 tips for middle, 188–192; tips for
 senior, 192–195; types of, as motivators,
 78–79
 Marcus, Bernie, 31–32, 34, 62
 Maslow, Abraham, 14, 73, 74
 Master motivators, 204; characteristics of,
 77–80; example of, from politics, 80–85
 McGregor, Douglas, 14, 15, 73, 202
 McKinsey & Company, 5, 44–45, 88, 204
 Mechanisms, 221n2. *See also* Formal
 mechanisms; Informal mechanisms
 Mehman, Kenneth B., 80–85, 204
 Microsoft, 86
 Military: discovery of informal organi-
 zation in, 16–19; terms and images
 from, in business, 49–51. *See also* U.S.
 Marines (USMC); U.S. Navy

Miller, Steve, 160
 Mintzberg, Henry, 176
 Mobilizing informal organization,
 155–173, 206; balance between, and
 managing formal organization, 172–
 173; benefit of, in achieving change
 results, 165–166; business challenges
 helped by, 175–184; as complex chal-
 lenge, 164–165; to facilitate company
 restructuring, 168–172; managing vs.,
 155–156; principles for, 166–168; tips
 for employees on, 184–188; tips for
 middle managers on, 188–192; tips for
 senior leaders on, 192–195; turnaround
 based on, 157–164
 Money: alternate way to allocate, in educa-
 tion, 134; as motivator, 69, 74; pride
 undermined by, 76–77
 Motivation: of average performers, 189–
 190; formal rewards as, 72, 74, 204; for
 improved performance at outsourcing
 partner company, 111–115; managers
 skilled in, as key to transforming organi-
 zation, 144–149; pride as source of, 69,
 72–77; rational vs. humanist approach
 to, 13–15, 217n6; through peer respect,
 85–86. *See also* Master motivators

N

Nadelstern, Eric, 135–136, 205
 Nardelli, Robert, 34, 35–36
 Nayar, Vineer, 152–154
 Needs, hierarchy of, 14, 74
 Networks. *See* Informal networks
 Nordstrom, 182

O

Obesity, as contagious, 100
 Organizational change. *See* Change efforts
 Organizational quotient (OQ): defined,
 28; people with, 121; tool for assessing,
 207, 209–216
 Orpheus Chamber Orchestra, 54–60, 203
 O'Toole, Larry, 89–91, 94

Outsourcing, motivating improved performance when, 111–115

P

Parker, Graham, 58, 59–60

Peer respect, as motivator, 85–86

Peer-to-peer interaction: as element of

Aetna's turnaround, 161–162; as motivator in change effort at Bell Canada, 142–149, 151–152

Performance, 103–119, 205; beyond formal authority role, 115–117; improved by informal communities of pride-builders, 149–151; improved by making organization accountable to employees, 153; informal organization and, 103; measuring informally motivated improvements in, 118; motivating improved, at outsourcing partner company, 111–115; tips on using formal and informal to improve, 117–118; turnaround accomplished through focus on, 104–111

Performance goals and measures, as formal mechanisms, 21

Pilot tests, 118, 150–151

Pride, 71–86, 203–204; in all aspects of work, 185–186; characteristics of builders of, 77–80; employee, improved performance linked to, 149–151; as informal mechanism, 24; job satisfaction linked to, 71–72; peer respect as source of, 85–86; political campaign manager's use of, 80–85; as source of motivation, 69, 72–77

Processes and procedures: as formal mechanisms, 21; as important as results, 106–107

Programs and initiatives: formal, supported by informal mechanisms, 34–36, 42, 63–67; as formal mechanisms, 21

R

Rational approach: of formalists, 19–20; limitations of, 22–23; to management, 13–14, 15

Relationship cultivators, 9, 28

Reliant, 94–99, 204

Reorganization: informal organization mobilized to facilitate, 168–172; resulting in formal blocking informal organization, 1–3; using informal networks to support, 5–6

Research methodology, 201–207

Restructuring. *See* Reorganization

Rewards: advice to middle managers on, 189–190; formal, as motivators, 72, 74, 204; pride diminished by, 76–77

Robbins, Tom, 13

Roush, Chris, 31

Rowe, Jack, 157–164, 165, 167, 206

S

Sabia, Michael, 118, 142–149, 151–152, 156, 166, 206

Sandrock, John, 16, 19

Sarsonne, Carol, 204

Scientific management, 13–14

Senge, Peter, 73

Sheehy, Gregg, 111–115, 205

Shell refinery system, 118

Sheriff, Karen, 149–151, 206

Shultz, Howard, 38

Skilling, Jeff, 88

Skills: increasing, of fast zebras in your organization, 138–139; increasing your, 187–188; motivational, as key to transforming organization, 144–149; storytelling, 194

Snowden, David, 165

Social contagion, 100

Social networking, 6–7. *See also* Informal networks

Southwest Airlines, 27, 61, 89

Staff, Joel, 95–98

Starbucks, 38–39, 202

Stewart, Charlie, 16–18, 25

StockPot, 104–111, 205

Storytelling, 91–93, 194

Strategic planning, 176–177

Strategy: Aetna council focused on, 161; as formal mechanism, 21
 Stress relief, from mobilizing informal mechanism, 184–188
 Structures: built by Orpheus, 57–60; as formal mechanism, 21; indicating integration of formal and informal, 62
 Sutton, Bob, 73

T

Taylor, Frederick, 13–14, 15, 202
 Taylor, Karen, 95
 TeleTech, 111–115, 205
 Texas Commerce Bank, 180, 206–207
 Theory X, 14
 Theory Y, 14
 Thorndike, Edward, 27–28
 T-Mobile, 177
 Toyota, 61
 Turnarounds: based on mobilizing informal organization, 157–164; driven by values, 94–99; through focus on performance, 104–111

U

United Nations, 123–129, 205
 U.S. Marines (USMC), 50–51, 62, 87, 88, 89, 204
 U.S. Navy, 16–19, 86

V

Values, 87–101, 204–205; applied to improving performance, 106–107, 117–

118; customer service driven by, 89–94; decision making based on, 191–192; defined, 88; driving organizations vs. displayed by organizations, 87–88, 89; shared, as informal mechanism, 23; as source of pride, 69; statement of, and Aetna's turnaround, 162–164; transmission of, through networks, 99–101, 204–205; turnaround driven by, 94–99; unrecognized value of, 101

W

Wallace, Mark D., 123–129, 205
 Ward, Anita, 206
 Weick, Karl, 49
What Got You Here Won't Get You There (Goldsmith), 43
 Whitman, Meg, 43–44
Why Pride Matters More Than Money (Katzenbach), 72
 Williams, Ron, 158, 162, 163
 Wilson, T. O., 47
 Woo, Lily Din, 8, 129–135, 136, 181, 205
 Work: pride in, 71–72, 73, 185–186; theories of behavior at, 14
Working with Emotional Intelligence (Goleman), 28

Z

Zachry, Bartell, 169
 Zachry, David, 169–170, 171
 Zachry, John, 169–170, 171
 Zachry Group, 168–172, 206