

Leading and Learning, Inc. ® is a 45-member **organizational management consulting firm** based in Los Angeles with clients across the U.S., Canada, Europe and Asia. We support leaders during change processes with focus on organizational change management, leadership development, and personal, professional effectiveness. Our client roster includes CEOs and other leaders in corporations and organizations spanning **banking, utilities, manufacturing, hospitality/entertainment, hospitals/health systems, technology/aerospace, service industries, government and nationally-based nonprofits.**

***EACH MONTH, LEAD-ZINE®**, the on-line electronic leadership newsletter of Leading and Learning, Inc., focuses on a specific leadership/ management topic.*

Articles are contributed by Dr. Billie Blair, President of Leading and Learning, Inc., and the LLI team of organizational professionals. Other professionals with specific expertise join the LLI staff each month to offer additional perspectives. These combined views provide informative and balanced perspectives on the *Lead-Zine®* topic-of-the-month to our readers – approximately 250,000 CEOs, executives, and other leaders. Leaders and managers are continually planning, or executing, or controlling change. This month's issue looks at another important aspect of change that is of current interest.

This month's timely focus is on: "Adjusting to Turbulence in Today's Marketplace."

We are privileged this month to have guest contributor **Dr. J. Robert Beyster**, founder of SAIC (Science Applications International Corporation) writing on the topic, **"Bridging Obstacles to Change."**

♦ *For those wishing to contribute to a *Lead-Zine®* issue* contact the *Lead-Zine®* editor, **Eli Isaacs:**
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*"When things change,
you have to change things!"*

April 2008 – "Adjusting to Turbulence in Today's Marketplace"

Billie G. Blair, PhD

This month we're focusing on ways to respond to the marketplace turbulence that is currently experienced by most businesses and organizations. For those who are experiencing exceptionally high levels of turbulence at this time, an investment in organizational change approaches will be required. As a start in this process, I recommend looking at the work that we've done in the study of the precepts of Chaos Theory and the practice of management.

For several years now, my company has conducted studies of managers and their approaches to chaotic conditions. We have consistently found that in order to master chaos and restore a new order that can result in changes for the organization, it is important to understand that the process proceeds from *chaos to order*. When chaotic events are first noticed, we're prone to rush to squelch them in an effort to stop the chaos. A better approach is to see where the chaos can lead. To master this approach, a basic understanding of the underpinnings of chaos theory, chaotic events, and their undergirding precepts is helpful.

► **Precept One – Pay Attention to Everything!** All things matter – *particularly* the small things – because small things build into bigger things, either in positive or negative ways.

► **Precept Two – Hone Your Perceptive Skills** Orient yourself to unforeseen ("chaotic") events by preparing for their occurrence, and by learning to view these events as the innovative change possibilities that they are. Joseph Schumpeter, an economist whose work lives on, contended that "creative destruction is the source of all progress."

► **Precept Three – Practice Challenging Change** Learn what to do with chaos – how to manage it and how to move through it for improved organizational functioning and better results. Making a good effort at predicting where "hot spots" will occur is a valuable part of the art of mastering chaos.

► **Precept Four – Learn the Art of Creating Chaos** Learn when – and how – to *create* chaos, for instigation of organizational change. The most effective leaders are those who know precisely when and how to initiate chaotic events for the best change results.

Paying good attention to chaos and to the lessons it imparts is a big step toward managing successfully in turbulent times.

** See: Dr. Blair's latest book*

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ADJUSTING TO TURBULENCE IN TODAY'S MARKETPLACE

**WE ARE JOINED THIS MONTH BY
CONTRIBUTING AUTHOR
DR. J. ROBERT BEYSTER,
LA JOLLA, CA.**

**DR. BEYSTER IS THE FOUNDER OF
SCIENCE APPLICATIONS
INTERNATIONAL CORPORATION
(SAIC)**

**AND IS THE AUTHOR OF THE BOOK
*THE SAIC SOLUTION: HOW WE BUILT
AN \$8 BILLION EMPLOYEE-OWNED
TECHNOLOGY COMPANY.***

***DR. BEYSTER SERVED AS CEO AND
CHAIRMAN OF THE COMPANY FOR 35
YEARS.***

***HE CURRENTLY HEADS THE FOUNDATION
FOR ENTERPRISE DEVELOPMENT AND
THE BEYSTER INSTITUTE AT THE RADY
SCHOOL OF MANAGEMENT, UNIVERSITY
OF CALIFORNIA, SAN DIEGO.***

BRIDGING OBSTACLES TO CHANGE

J. Robert Beyster

Founder, Science Applications International Corporation

For 35 years I was chairman and CEO of Science Applications International Corporation (SAIC), a company we consciously managed as a loose federation of businesses held together by tight financial controls. This decentralized approach to business served us well – allowing division managers to respond to new business opportunities quickly without having to constantly ask my permission to proceed before they acted. We also created a highly entrepreneurial culture where employees were encouraged to find new business opportunities, and then were rewarded with ownership in the company when they were successful in converting those opportunities into contracts.

However, this entrepreneurial culture also created organizational obstacles. Some of our particularly entrepreneurial managers began to think that they really *were* running their own businesses and they sometimes ignored opportunities to team and share resources with other managers elsewhere in the company. So, as we grew, we began to realize that we needed to create a variety of companywide initiatives to keep our loose organization together. In doing so, we hoped to open up channels of communication across the company, encourage teaming on contract bids, promote our policies and practices, keep up with new client initiatives, leverage central corporate functions and provide employees with the sense that they were part of a larger organization.

We instituted a variety of different companywide initiatives to break down divisional barriers, including SAIC University, an SAIC intranet (known as ISSAIC), a Proposal Center, a Technical Environment Committee, and, perhaps the most important, Meetings Week. These and other companywide initiatives helped us respond to change as a unified organization instead of as a collection of disconnected parts responding in scattershot fashion. Each was a turning point in SAIC's development and growth. Together, they were remarkably powerful tools that provided the inward pull that we needed to control the many different elements of our loose organization. They helped us build a uniquely fast, flexible and entrepreneurial organization that could respond quickly to opportunity and change. This was proven time and again as we won contract after contract at the expense of our competition.