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# Amplifying Organizational Results: In Pursuit of the Breakthrough

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Breakthroughs have been thoroughly researched and written about, but there is a wide range of thinking about the ability to design and execute them. Some take the position that innovation cannot be deliberately planned, saying, “You can’t schedule inventions.” Since the purpose of invention is to discover the unknown, the argument goes, it is impossible to predict whether it will be suc-

cessful, much less how long it will take. Others argue that breakthroughs do not occur by design, but are rather accidental and random, a matter of luck.<sup>1</sup> These conclusions will be challenged in this article. Our work with clients has proven that breakthroughs can be deliberately planned and executed. However, it is not something to undertake lightly.

## I.

### THE DANGER IN EXPECTING BREAKTHROUGHS

Many companies today are treating breakthroughs as if they were a matter of course or status quo, an expected part of everyday business; therein lies the danger. Having once produced a spectacular outcome, it quickly becomes the new norm for results and behavior, because in hindsight, a breakthrough looks predictable. Once a breakthrough has occurred, it is easy to look through the rear view mirror and clearly see what it took to achieve it. But banking on breakthrough performance threatens the conditions and environment required for breakthroughs to thrive and, more importantly, to be undertaken on a recurring basis. This expectation wreaks havoc in the lives of the people expected to perform, and destabilizes the business outcomes of the companies that are mandating them.

So one of the first issues encountered in undertaking breakthroughs is that they cannot be treated as predictable. And that in itself is a challenge to organizational thinking. People quickly forget that a breakthrough result that is now an accepted part of an organization's history once appeared doubtful. Jim Kilts, former CEO of both Nabisco and Gillette, calls this the "Circle of Doom" in his book, "Doing What Matters."<sup>2</sup> He talks about the downward spiral that organizations slide into when they try to reproduce extraordinary results by hoping that circumstances will align again and that people will be willing or even able to make magic one more time. As he says, "... the slide into the Circle of Doom is the unfortunate by-product of success."<sup>3</sup>

It takes a certain moxie to take on a breakthrough project, and most people are willing to do it, at least once in their careers. It calls for courage to tackle the challenge of producing big outcomes, and that excitement is almost always fueled by the possibility of innovation. Just as importantly, those responsible for organizational strategy and direction must understand the pitfalls in working toward a breakthrough. The reality is that, every now and then, initiatives that are designed to produce breakthroughs will fail. By its very nature, a breakthrough is a result that is discontinuous with past performance, and so requires a level of innovation that cannot be clearly known or understood initially. It calls for experimentation, and every now and then experiments fail.

Breakthroughs can be planned for and accomplished. However, without carefully designing and communicating rigorous parameters for the results, including the predictable outcomes, and managing organizational expectations, one of two things will happen:

- Breakthrough results are produced, and people are not acknowledged for them. There may be recognition of the actual outcome, but the gap between what was predictable and what was actually achieved is often overlooked. That gap measures the distance between what would have happened by "doing more with less, or working harder and faster," and the paradigm-shifting, novel approaches or innovation that emerged as a source of the breakthrough. This lack of appreciation for what it takes to generate innovation is what often leads to burnout, discouragement, and loss of workforce morale, energy, passion and creativity.
- People give the initiative their all, but breakthrough results are not produced, and people are not acknowledged for the results that are achieved (even if those results were predictable from the start, and, while the breakthrough was not achieved,

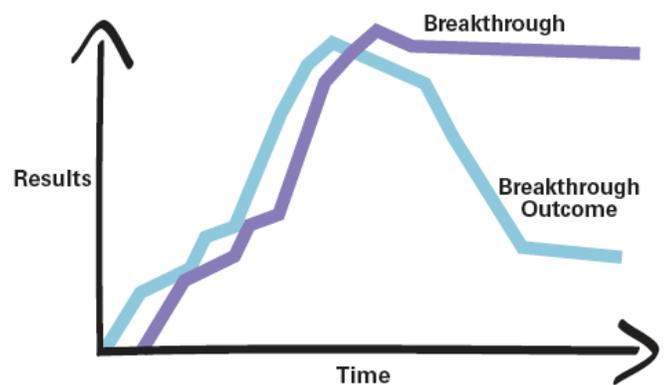
the business is no worse off for it). This leads to a culture of risk aversion and unwillingness to break out of the box of predictable results, or sticking with the "sure thing."

## II.

### DEFINING A BREAKTHROUGH

The term "breakthrough" has been debated in the literature of management and leadership for the last decade or more. Even slight improvements in work or results come to be labeled as a breakthrough. Many organizations have co-opted the word for their work: there is even a taxidermy magazine called "Breakthrough." For the purposes of this article, a breakthrough is defined as a result that is created under a very specific set of conditions, as follows:

1. Not predictable from past performance, even highly successful past performance; a quantum leap in results; a result that is discontinuous with the past;
2. Produces significant value in terms of forwarding the organization's vision and/or goals;
3. Creates a new reality for the organization about what is possible;
4. Is committed to in advance, without knowing how.



These conditions do come with qualifiers. Firstly, #1 must be quantified with clear measures in place, including those for the results that would be produced under "business as usual" conditions. Secondly, #2 cannot materialize without a clear view of the organization's vision, mission, and goals. The third condition is the difference between a breakthrough and a breakthrough outcome. It is possible that a result can be produced that is beyond what is predictable, but has no lasting effect on the organization's view of what is possible; it is, therefore, the organizational equivalent of a "peak experience." A breakthrough, on the other hand, includes one or more breakthrough outcomes and leaves the organization at a new level of possibility in performance. Lastly, there is no advance committed to the result, it's a happy accident, not a breakthrough.

## III.

### CONDITIONS FOR BREAKTHROUGH

There are several conditions that must be in place, culturally, for a breakthrough to be realized. It is vital that an organization's leadership cultivate a culture that fosters these dynamics, otherwise breakthrough work can lead to the problems discussed at the outset of this article. The critical conditions are: Acceptance and Appreciation for "Breakdown"; Tolerance for Risk; Choice;

Teamwork; and Setting Rigorous Parameters.

#### **ACCEPTANCE AND APPRECIATION FOR “BREAKDOWN”**

A breakdown is simply a situation in which an obstacle impeded progress toward a specific outcome. A breakdown occurs whenever there is a gap between what we said we would do and what actually happens, or what we can reasonably predict will happen. A breakdown can arise in one of two ways:

- **Circumstantially:** outside forces cause a slippage in results. These forces can be changes in technology, changes in the marketplace, lack of resources, natural disasters, etc.
- **By declaration:** things may be going along fine, but the commitment is increased to produce results at a level significantly beyond the predictable, ordinary outcomes. This type of breakdown is intentionally created and is not a result of circumstance.

Once a breakdown exists, whether circumstantially or by declaration, the experience of those involved is pretty much the same. People are just as upset and uncomfortable either way. It's important to remember the “break” in “breakthrough.” People will be taken outside of their comfort zone and forced to think and act in new ways.

A common misinterpretation of breakdowns is that they are negative, and reflect on the competence of the people involved. In fact, every breakdown teaches something about the initiative, the process, and the results. It indicates what will not work, and can highlight new directions to take, or a new possibility that might even be the solution. A breakdown forces people to look beyond past experience and knowledge to new ways of thinking and acting, and this is where breakthroughs in both results and individual development reside. Breakdowns are frequently opportunities for a breakthrough. When teams are given the freedom to declare a breakdown without having it be negative, it empowers them to be creative. The bigger the gap, the bigger the breakdown; and consequently, the bigger the potential breakthrough.

#### **TOLERANCE FOR RISK**

Commitments to aggressive goals with the potential for large breakdowns have high risk associated with them. Big commitments to big outcomes will almost inevitably bring big breakdowns. Consequently, this approach requires a significant tolerance for risk. Normally, successful organizations give high priority to the minimization of risk and the maximization of predictability. One effective strategy in traditional project work is to design the outcomes to be as safe as possible, avoiding breakdowns and risk. This is inappropriate, however, if unprecedented, extraordinary results are to be achieved.

There are also clear implications for the relationship of leadership with the breakthrough team and initiative. They must approve of, and be a champion for, the team, the process, and the outcomes. They must also support the team by removing obstacles and providing resources if necessary, and be willing and able to deal with failure in a constructive and innovative manner. By their very nature, breakthroughs involve failure: to avoid failure, you would have to already know how to produce the results.

#### **CHOICE**

People have to be offered a free and authentic choice about mak-

ing a commitment to breakthrough. Giving people a choice to make a commitment is an unfamiliar concept in many organizations. The standard view is rather authoritarian. If people are embarking on an initiative in which they are outside of their comfort zone and have to learn to work together in new ways, it's best to make sure they are authentically committed to the initiative, the results, and the team. Managers should want people on their team who are genuinely dedicated to the breakthrough and are not obliged to the commitment by use of strict directives. The freedom to commit gives people access to other freedoms, such as their own creativity, and a sense of inquiry, experimentation, and discovery. It's hard for people to relate to that when they feel like they have no choice in the matter.

#### **TEAMWORK**

Teamwork is a necessary condition for producing breakthroughs. Of course, there are rules to follow. Perhaps the most important one is to listen generously, as if all ideas are possible. This kind of conversation is called “green-lighting”, or “blue sky”, or “a possibility conversation.” The surest death-knell for a breakthrough idea is someone who says, “We tried that before and it didn't work”, or “We'll never be able to do that.” For this kind of teamwork, the “devil's advocate” needs to stay home, or at least stay silent.

If the work has been broken up into smaller teams or sub-groups, every participant's commitment has to be to the overall project, not just to his or her part of it. If one group is proceeding rapidly and meeting all its milestones, and another group is falling behind, then consider the entire project to be at risk, not just the part that is behind schedule. This is a case when it is really “one for all and all for one.”

#### **SETTING RIGOROUS PARAMETERS**

Careful and thoughtful design is crucial in setting the parameters for breakthrough results. Failure to design the parameters rigorously leaves the initiative, and the people managing the initiative, with no platform from which to create the breakthrough. While predictions are rarely inevitable, future results can usually be forecasted with a good degree of accuracy, given reliable historical data and a reasonably stable history of past performance. Generally, we start with two levels of results, which we call “predictable” and “stretch.” We distinguish them because “predictable” has come to mean “a sure thing”, and anything beyond that is considered a “stretch.” In this situation, however, predictable does not mean definite. On the contrary, the predictable is that which can be produced by applying current and/or available knowledge to a) do more, b) find an improved way to do it, or c) find a different way to do it. These have come to be known in business as “working harder” or “working smarter.”

By this definition, stretch results are then achieved by working much harder and much smarter, and require much more, much better, and/or very different variations on what has been done before. Both the predictable and the stretch outcomes rely on the smart business use of what is already known. They are based in the past, on what has worked, or not worked, before.

Once past performance and the predictable future have been determined, art, judgment, and the aforementioned freedom to commit take over from managerial science. The first judgment to be made is to determine what constitutes the outer limits of “stretch.”



A common misinterpretation of breakdowns is that they are negative, and reflect on the competence of the people involved.

The placement of the border between predictable, stretch, and breakthrough will have real business consequences. If the border is too low (i.e., the predictable outcomes are very low), some initiatives will be approached as breakthrough when they could be achieved using conventional methods, and some initiatives will never be undertaken because they will seem impossible. Considering that breakthrough methodology can be a labor-, time-, and capital-intensive undertaking, at least at the outset, this could be a costly mistake. Set the border too high (almost everything is considered predictable), and some initiatives will be undertaken by conventional means when breakthrough is really called for. The probability of success in this situation is low.

There is no hard and fast business rule for setting this boundary. In the end, it must be approached as a business judgment.

#### “PIE IN THE SKY”

In addition to predictable, stretch and breakthrough, there is a range of outcomes called “pie in the sky.” These are actually impossible outcomes. The art of breakthrough is to set targets that are far enough into the field of breakthrough to allow for shortfalls that are still beyond what is predictable and stretch, without straying into “pie in the sky” territory.

#### IV. CAVEATS AND CAUTIONS

Leaders have to confront the following when undertaking a breakthrough:

- Telling people what to do doesn't work.
- There is no clear path to producing the results, and there won't be.
- The team leader needs to catalyze action without being certain about the path.
- There will be discomfort associated with public commitment and private uncertainty.
- There will be organizational disbelief and mistrust in the invitation for risk-taking.
- The current level of communication in the organization is very likely to be insufficient for the desired results. The level of organizational communication has to increase exponentially for a breakthrough initiative to succeed.
- Fuzziness and ambiguity are an on-going part of the process.
- Breakthrough is not useful for everything. Just as every outcome does not require a team to produce it, not every outcome requires a breakthrough. Incremental improvement is sufficient for most of what we do, which is well understood and can be produced using reliable methods that have worked in the past. Don't use the tool unless it's needed, or unless the potential for success supports the desired level of risk and investment.
- Remember that a breakthrough is a range of outcomes, and anything over stretch is a win. Don't be disappointed if productivity is merely doubled when the goal was to triple it.
- Remember the 'break' in breakthrough. A breakthrough will

interrupt established norms of business and processes, and can create heightened expectations for results. There will be a cultural impact when an organization undertakes breakthrough-level innovation, and the leader will be responsible for navigating the changes that result.

- Be sure to celebrate and communicate the wins in a breakthrough initiative. Include the measurable outcomes, but also register what was learned along the way, what is now possible that wasn't possible before the breakthrough, and how the team and individual members developed themselves to produce these extraordinary outcomes.

Even in the face of potential pitfalls and certain breakdowns, people often report that working on a breakthrough initiative is the most satisfying work of their careers. The chance to produce results that look improbable at best and impossible at worst, while developing new ways of thinking, acting, and working with a team, is innately rewarding and fulfilling. There is always personal learning in the process – taking on this level of change and innovation taps into potential most of us didn't even know we had. It results in growth and a new level of confidence for what lies ahead. Judiciously applied and rigorously designed, breakthroughs have positive benefits beyond the good business results they bring. Ultimately, they open up new futures and possibilities within organizations and develop the potential within people, which is the most precious resource any leader has to draw upon.

*This article draws upon a body of work that has been developed by Generative Leadership Group and its consultants over the past two decades.*



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