

Strategic Planning...the Outcome Approach, Part 1

by Harold S. Williams

While strategic planning as a concept has seen its star mildly eclipsed by newer organizational fancies such as Total Quality Management, it remains a durable enterprise. Over many years, its core premises have held up and its practices have remained remarkably workable and effective. As with a surprising number of tools, this one has managed to exempt itself from the change medicine it so heartily prescribes for others.

This **PARADIGM** compares the traditional approaches to an updated version: the outcome-based strategic plan. We will avoid a chart full of contrasts in favor of a very simple distinction. Traditional strategic plans focus on two elements: the *product* and the *process*. The outcome-based plan is measured by *results*.

On the one hand, the traditional plan is viewed as almost an artifact, a thing in itself. If public funds are involved, it is likely to be judged by what is included. An economic development plan is to contain an inventory of businesses; a watershed plan is to contain profiles of chemical and biological contamination. If the organization is presumed to be quality-driven, a sufficient number of Praedo charts are expected. When the right stuff is in place, the plan is said to look good and read well.

The second stress is on process, where criteria include widespread involvement, participation of top leaders, and the delineation and close following of a series of planning steps. Also important is the affective domain; did all participants feel good about the things?

From an outcome perspective, the value of a strategic plan is neither the quality of the document *nor* the process used to develop it. Rather, a good plan is as a good plan does.

As in other areas, the public sector is increasingly coming to the outcome perspective. The \$30 million Centennial Fund of the Washington State Department of Ecology has for years funded environmental plans on the basis of industry standards and planning regulations, for example. This year, they are only funding groups who will state and deliver targets for plan *implementations*. Outcome Funding and Outcome-based Strategic Plans are closely related.¹

Toward Outcome Based Strategic Plans

Strategic plans are best viewed as tools which should enable organizations to *make things happen* that *otherwise would not have happened*. If an organization is happy with what it now does, why spend time in any form of planning? Just make note of core structures and practices, and continue to express them. Change is also different from the objective of better coping with the unforeseen or more accurate forecasting of future events. Strategic plans are about defining

and achieving a preferred future, not about understanding and adapting to whatever is to come whether you like it or not. Most are interventions. They intervene in an organization's current practice to redirect more than to reinforce.²

What Means Strategy?

Have you ever noticed how seldom strategic plans define the term "strategy?" One reason for this is that it has not proven necessary. The word carries the imagery of precision and discipline and is a ubiquitous adjective: strategic acts...strategic goals...strategic points...strategic direction. The common aspiration, it appears, is to transform the noun in question by the crisp and incisive sound of the qualifier.

Another factor is that the linguistic foundation on which strategy rests is thin at best. The word is military in origin, coming from the Greek word *strategos*, meaning general. A stratagem is the device or act of a general. Strategy wins wars.

In leaving the battlefield, we can glean certain broadly applicable attributes. One is that strategy lies in a field of action containing a variety of actors and forces. It is about comparative advantage, whether the alternative is a competitor or apathy. And, it is as much about deciphering the trends and positions of others as about understanding one's own. As Wayne Gretzky put it, "I skate to where the puck will be." Another characteristic is that strategy is about deployment; where best to put people and materials. Resource configuration questions (e.g., critical mass) are generally important. Finally, strategy invariably uses the clock. It is not simply about being in a certain place but about being there at a certain time.³

Selectivity is another element. The strategy of empowerment precludes the strategy of centralized control. The strategy of acquisitions precludes the strategy of consolidation. In an era where everything is deemed connected, the strategy reminds us of the need for incisive choice. Strategies that preclude and focus are more powerful than those that seek to be widely inclusive.

In still more generic terms, strategy is defined by what bounds it in a hierarchy of abstraction. Specifically, strategy occupies that middle ground between philosophy, goals, theory and concept, and the daily and literal matters of what to do now and next. An example: an organization wishes to improve workforce morale and productivity by having middle managers enable rather than "supervise" employees. The envisioned mechanism is manager training. Conventionally, an organization might say that its strategy is morale and productivity boosting; that its strategy is empowerment; or that its strategy is training. No! The strategy is the approach to be used so that the tactic of training is effective in achieving the goal of higher morale and productivity by using the philosophy or concept of empowerment. An example of strategic thinking:

Control is at bedrock for most managers and it will prove difficult to dislodge and even reasonable to dislodge that. (After all, who wants to "lose control?") Our strategy is to *shift* managers from control of inputs to control of outcomes. Once the result is agreed upon, they can lighten up at the procedural level and understand that their accountability is not for employee timecards or even manners but for achievement.

In most organizations strategies begin with some big choices.

- **Structural or non structural change.** If an organization wants to push decision-making to lower levels, it might do so by defining a new more decentralized structure (new organizational chart, job descriptions, etc.) or by encouraging different behaviors within the structures that exist. These approaches are very different.
- **Existing people; new people.** If an organization wants to do something very differently, is it best to retool the existing cast or look for some new people? At what point is it best to promote from within or from without? Again, the question is strategic—linking a goal to the tactics to achieve it.
- **Short term or long term.** Some initiatives can only be set on a long timeline—with systematic development and often new resources. Others are better served by a sense of urgency and spontaneity. Strategically, which is which?
- **Remedial or strength driven.** Is it best to focus on identifying and correcting weaknesses or to find and build on strengths, allowing deficiencies to remain? Is it best to fit the person to the role...or the role to the person?

Big choices also attend strategy itself. Is it always productive to think of strategy as deliberative, or in some cases, is it best left as emergent? Are organizational policies always set ahead of action or are some best crafted in the way that a potter shapes a vase while the wheel spins?

The usual answer to these and other questions is, of course, “it depends.” Strategies are those decisions that connect the enduring parts of an organization (such as vision and beliefs) with the situational factors (such as environmental shifts).

And What is the Strategic Plan?

If strategy is used too broadly and with little precision, the embrace of planning often goes in the opposite direction, resulting in a mechanical document that belies its own intent. Writing in the *Harvard Business Review*, Henry Mintzberg observes:

Planning’s failure to transcend the categories explains why it has discouraged serious organizational change. This failure is why formal planning has promoted strategies that are extrapolated from the past or copied from others. Strategic planning has not only never amounted to strategic thinking but has, in fact, often impeded it.⁴

Mintzberg goes on to note that traditional planning is about analysis, while strategy is about synthesis and action. He also notes that traditional strategic planning is actually strategic programming, looking only at ways to reconfigure what now exists.

Other authors in *INNOVATING* have suggested additional drawbacks of planning. One is the deferring of action until a time that assumptions which prove incorrect become costly and difficult to change. Another is the short shift given to tactics used to implement recommendations and goals.⁵

Outcome-based strategic plans avoid these sobering pitfalls by beginning with a new premise. Rather than being seen as outputs—the culmination thinking and participation—they are positioned as an input—a springboard for action. Outcome-based plans neither recommend nor prescribe action. They enable and prompt it.

Strategic plans reflect strategic thinking in two broad areas, each with two components:

Part I: Findings

The Charter:

vision, definition and core technology, targets, beliefs

The Environment:

shifts, patterns and surprises, competitors/colleagues, benchmarks

Part II: Strategies

Organization-wide

By “line of business”

Findings embrace that information which is needed to both guide and prompt strategic thinking and action. It literally depicts what an organization finds out about itself and its environment. The first area of findings I call “The Charter” in the sense that it speaks to those elements that are relatively enduring and which define an organization’s core. The environment section looks at the ways in which that core interacts with factors and forces external to the organization to define its experience and learning base. Most plans stop with such findings, which are mistakenly considered to be strategies in their own right. At best, the foundation is used to derive and to govern implementation, at worst to rationalize it. In either case, the point is lost that the sole purpose of such information is to enable and to spark action. Outcome-based strategic planning saves a considerable amount of its firepower for Act II, which we will consider in the Winter, 1994 **PARADIGM** in *INNOVATING*.

A Note on Participation

Prior to a detailed look at the elements to consider in the Findings portion of an outcome-based strategic plan, we should pause to look at the fashionable stress upon great and wide participation in the development of a plan. This is a bromide that needs questioning in two ways. The first is cost. If the total time of all persons (including all hours spent preparing for and attending meetings) is cost accounted to the strategic plan, it can be surprisingly expensive. A presumed cost of \$20,000 to hire the facilitator and rent off-site space can be dwarfed by many thousands of dollars in staff time.⁶ Further, the opportunity cost of involvement may be especially felt by participants. Involvement to planners can well mean unnecessary diversion for those effective people who want to be left time to implement.

The second caution is about effectiveness. We all know of the organization that holds ten meetings to belabor the intent and wording of its mission statement, only to produce a bland document. Participation and agreement are not the same. It is paternalistic to assume that people cannot relate enough to agree with or use anything they did not help develop. Not everyone needs to believe it was their idea.

One useful starting point is to distinguish between nature and levels of involvement. One kind of involvement lies in the development of the plan. Quite another lies in expressing the plan to give it meaning through action. Another difference exists between involvement from scratch and involvement through response. Most of us do not mind having the most capable people in our

midst singled out to do not only a first but a revised version of a product—as long as they are genuinely open to feedback.

In terms of levels, there is a difference between everyone being involved and all viewpoints being included. Plans can benefit from development by small teams whose members reflect all different perspectives in the organization without having each and every employee directly engaged.⁷

It is also critical to separate matters of fact from those of opinion. Where there is an empirical base available somewhere, it is far better to have skilled persons (often those trained as planners) conduct highly focused analytical inquiries than to have group participation. It is also important to separate those questions for which all opinions have equal weight from those in which some people can and should lead the organization through their special knowledge or abilities.

We shall speak to both type and level of involvement as we now begin a review of the elements in the Findings section.

The Charter: Starting With What Endures

Many organizations believe that everything is so connected that there is no easy starting or intervention point. How can you craft a vision until you know the constraints, and how can you know which constraints apply without the vision? My view is that “charter” factors are the clear starting point. Here are four:

1. Beginning with Vision

Visions are clear and striking visions of the places and conditions to which groups want to go. At their best, they can act as a pin prick—suggesting the gap between the way things are and the way they should be.

Mission statements and other kinds of definitions of purpose stress what the organization does—for example, “to provide quality service.” Most missions are both stale and loaded with burden. And ironically, they are usually narcissistic, intended to beautify the organization’s view of itself. Visions deal with what is to be different for customers, communities, regions.

Our vision is of a school where every child wants to come every day.... Our vision is of a community in which there is absolutely no unwanted pregnancy. Our vision is of a region in which no small business which deserves bank financing goes without it.

It is not that visions ignore the organization but, rather, connect it to a broader end. The charter of Garden Way, the impressive company which makes Troy-Built Rototillers states the intent to “bring Garden Way living to as many persons as practical.” Garden Way living is then defined as “a way of life to which people by the millions are turning as a consequence of worldwide resource and food limitations.”

Of all parts in the strategic plan, this one is the least helped by wordsmithing. Without an eloquence that comes from a deeply held conviction or feeling, no amount of massaging (especially by a committee) can help. Consider the eloquence of the Preamble to the Corbett Compact, penned by an individual with little formal education to portray the vision of his small town as a renewal project began:

...we give our pledge to rebuild Corbett as a small community in which people help each other...in which we can get a good night's sleep...in which our children can range safely...in which we can feel good about our town, our neighbors, and ourselves...in which we do not waste.⁸

On the participatory front, many believe that a shared vision should be collectively constructed. An environmental scan does not support this belief. The best visions tend to come from one pair of eyes, looking singularly and uniquely at something ahead. From Jesus to Gandhi...from Fred Smith at American Express to John Kennedy and the moon landing, visions often come from a leader. At the same time, excellent visions are then shared in the sense that everyone can literally “see” them in a sensory way. This is where sharing is critical.

Without a vision, the organization may not perish. But sooner or later, efforts will shift from reaching a destination to staying afloat. Further, one rich source of strategy is foregone. For example, a number of educational organizations hold as their vision a version of the belief that “all children can and must learn.” One strategic prompt is to turn the vision inward, to those adults who staff school districts and state education departments. What happens when performance appraisal for adults is based on the same vision? We might then have portfolios for managers!

2. *Definition: What Business Are You In?*

This question has two parts. The first refers to the organization as an entity, where definitions can come in three varieties:

- **definition by what you are.** We are the state lottery. We have an operating budget of \$2,456,980 and have 420 employees. We report to the director of state revenues;
- **definition by what you do.** We operate a variety of games of chance in which about \$100 million is received in and \$5 million retained after prizes and administration to support education in this state;
- **definition by what you achieve.** Last year, we made 14 persons millionaires, while enabling 230 school districts to get badly needed equipment which they could not otherwise afford.

Definition by achievement is vastly preferable and need not be lengthy. When Caterpillar Tractor touted “48 hour parts service anywhere in the world,” they were defining themselves not as in the equipment sales business (a good) but in the equipment reliability and use business (a service). Similarly, the New York State Division of Parole has a marvelous expression that its people wear on a button: Changing the Odds. These three words are potent. They suggest that the business of this department is not catching parolees that commit a fresh crime or even supporting those who do not. This group believes that the odds are stacked against a person on parole “making it” and that its business is odds-changing for those factors that prompt recidivism.

In many cases, an organization is in separable businesses and does one better than another. A surprising number of expanding companies, for example, are brilliant at acquiring new companies but no better than average in running them. In the non-profit realm, few groups are equally interested in the businesses of building new programs and refining old ones.

The second part of the question concerns core technology. Most car makers, for example, do not “make” anything. They are in the assembly business and their skill is connecting and integrating parts that are virtually all fashioned elsewhere.

Not learning one’s business can be fatal. The Conestoga Wagon Company was the preeminent maker of covered wagons in the 1800s. Had they defined themselves as being in the transportation business rather than the covered wagon business, they might well have become the largest car maker a century later.

A more successful answer to the question of core technology illustrates the value of this charter element for prompting strategy. An enterprising chap ran very successful laundromats and wished to expand. Rather than defining himself as being in the cleaning business and expanding to dry cleaning, he realized that his core technology was the handling of millions of quarters. He expanded to vending machines, where the company’s know-how could be fully applied. The strategy (what to do to achieve the goal of expansion) was brilliant.

3. *Targets for Activities*

In most organizations we hallow activities. There is always room for another workshop series, another study group, another staff person to coordinate something. If the results are not as intended, we change intentions. Outcome-based strategic planning suggests that by having targets to hold constant, organizations are more encouraged to change their activity, and yes, their strategy.

Targets are very different from most goal statements, which represent intention but not commitment. They are different from most objectives, which refer to what will be done but not what will be achieved. Targets are specific, ambitious, and verifiable accomplishments.

By implementing this plan, we will reduce from 22 to five the water bodies in the county that do not sustain fishing and swimming...our target over five years is a 13% annual increase in earnings per share...our target is to cut in half the drunk driving incidents in our county by the year 1995.

Strategic plan targets should reflect a level of gain that an organization believes it can “pull off” with its own resources. This is not to say that the target is fully under the control of the implementing group. Rather, it is set such as to be achievable even in the face of most outside factors. The point is to avoid a situation in which one could easily say, “Our plan targets were missed but it’s not our fault.” Nor is it always acceptable to say that while you didn’t perform to target, you fared just as well as did everyone else. Whether an investor loses his or her money or a person in need loses a vital service, the “same boat” observation is of little solace. At the same time, targets are predictors, not promises.

Targets must be framed so as to contribute to visions. This may sound trivial but it is not. For example, a group having the vision of improving the viability of a small town might blithely develop a target around the personal growth and increased mobility of young people in that town. The chances are good that once the vision is made manifest, and young people are helped to leave town for greener fields, viability for the community as a whole will actually drop.

Traditionally, public service organizations separate monetary and non-monetary concerns as they do the bureaus and individuals that are seen as dealing with them. In outcome based strategic

planning, funds and programs are interdependent in target expression. The rationale: a) it is not sufficient to hit a high program target if the cost is excessive, and b) it is not sufficient to operate at a lower cost if the program gain is proportionately reduced.

4. *Key Beliefs*

Beliefs are those tenets that are sustained, expressed, and preserved in the face of many different situations. Beliefs may be about any critical element of the organization or its culture. For example:

We believe that employee morale and productivity are inseparable.... We believe that our customers prefer price over any other consideration in our product.... We believe that many people who are homeless are not mentally ill; they just lack the money to buy or rent a home.

Note that beliefs in this context are what the organization believes to be true, not necessarily what they would most value in an ideal world. Further, there is no one right set of beliefs. Another group might believe that customers prefer sustained service or lasting field support over initial price. The point is that groups who can sharpen the pencil on their most critical beliefs will tend to outperform those who cannot.

Private and public sector beliefs can be more similar than we think. A retail trade store may believe that margins are more important than volume. By this, they mean that more intensive customer service justifying a higher price for fewer sales is more productive than having more sales at a lower price. A governmental or non-profit group might profit from having a belief in this same area. An example: that a greater margin of gain (e.g., more lasting benefit) for fewer persons is preferable to smaller improvements for more people.

The importance of beliefs is their consequence for behavior. Many organizations profess to a “flattening” tendency but still require that senior managers make all the key decisions. Others state that their people are their most valued resource, then announce layoffs through the mail. On the other hand, consider this comment on staff by Albany Ladder, a leading Northeast distributor of high reach products:

We bring honesty, love, freedom, responsibility, and happiness into our lives, community, and world, helping turn dreams into reality.

The Environment

We now shift from charter or compact matters which express what tends to endure to environmental factors that tend to change. These variables are equally important in the foundation of the strategic plan and equally useful as prompts for strategy.

1. *Patterns and Surprises*

Virtually no organization is without trends and common threads formed by actual experience. While a few are constants, many are patterns of change. Some change is linear (we tend to serve 150 more customers or so each year), while some is exponential (we seem to be doubling our size every three years). Still other patterns are not readily depicted on trend lines. An example is the tendency for many more decisions to be made at headquarters—or in the field.

Whatever their degree of ready quantification, many patterns tend to group in these areas:

- **Patterns of customers and results.** What are the patterns of those customers who tend to use one's programs? What are the common threads in terms of what kinds of customers achieve the best or worst outcomes?
- **Patterns in finances.** An organization might conclude that increased volume actually decreases the ability to break even...or that 90% of its contributions come from 10% of the donors.
- **Patterns in culture and management.** An organization is highly likely to show common threads in internal operations and staff perspectives that are as critical as are variations.

Somewhere, however, along many trends lines, something breaks off. It may go higher or lower, more positive or more negative. In either event, the surprise is worth noting. In some cases, something good can turn the pivot to a new direction. In others, risk management can be introduced to avoid disastrous consequences. This counterpoint section looks, often in the same areas as for patterns, for where trends either break down or simply fail to form.⁹

Where found, surprises are documented with as much description and explanation as possible. For example, a number of assessment agents are surprised that an occasional well-crafted national program performs very poorly in a given locale or that a poorly defined program works so well in one place. Upon inspection, they find that the surprise ingredient is the person running the local project. In this as in other areas, Peter Drucker has noted that the unexpected success offers as much opportunity as does the unexpected failure.¹⁰

Trends and other patterns need not be fully explained to be helpful. Indeed, in many cases, it is possible to show a correlation among factors but not be able to show or "prove" causality. Patterns remain useful, if not for any other reason than to show a default position. Other things being even remotely the same, trend lines suggest where an organization will go without intervention. They tell change agents where to focus.

2. *Environmental Shifts*

Many strategic planners mistakenly focus on the importance of defining their environment. From a strategic viewpoint, it is not the environment that you know that can hurt you but the environment that is new to you. Environmental shifts are more critical than environmental constants.

In most organizations, it is possible to use generic categories for your scan. The following topical areas often make sense:

- **Demographic and socioeconomic shifts**, e.g., higher divorce rate leading to more single parent households, higher percentage of adults with low incomes;
- **Technological shifts**, e.g., more computing power independent of location; bar coding available for customer tracking in all human service;
- **Public Policy and Institutional Shifts**, e.g., swing toward environmental equity—focusing less on amount of risk and more on its distribution; grant-making is shifting from units of service to units of results;

- **Market and Customer Disposition Shifts**, e.g., credit card choice will become much more sensitive to interest rates; food purchasers becoming much more health conscious; and
- **Problem Shifts**, e.g., the public will grow much more concerned with environmental stewardship in outcome terms of clean water, land, and air—and much less interested in the number of permits issued.

You are not looking here for perfect forecasting validity, nor are you trying to predict all changes that might occur. Rather, you are looking for those possible shifts that would have a direct impact on your ability to hit strategic plan targets. Also note that you are searching for particulars rather than general patterns. Shifts in national employment, divorce, or infant mortality rates often mask regional swings that, for a given enterprise, will make all the difference.

While environmental shifts affect all organizations, their impacts are almost never equal. New constraints, for example, will devastate some organizations while others take them in stride. Indeed, one strategy is to treat environmental shifts as a springboard to comparative advantage.

More broadly, virtually all environmental observations can create strategic insight by simply asking the question, “So what?” A bank, for example, might note the shift of customers moving toward the two endpoints of “high tech” and “high touch.” This might trigger the realization that one mode of bank representation is no longer sufficient. A strategy might focus on making branch banks even more interpersonally based for those who want the human touch while at the same time enhancing the means and extent of electronic banking.

An example of the interdependence of an organization’s charter elements and its environmental scan falls here. Libraries noting the shift toward electronic forms of information and literature no longer view themselves as being in the book business!

3. *Competitors Or Comparables*

A surprising number of groups believe that they are unique, and spend a great deal of energy in showing how and why they are different. This is misguided, in that the unique organization believes it has nothing to learn from anyone else. Such groups are constantly reinventing wheels.

Most organizations have competitors, defined as those who offer products that might be selected by a purchaser instead of the one you offer. While many competing products are similar, some can represent different means to the same end. If one wishes to lose weight, the options include not only a variety of diet regimens but exercise equipment and camps and workshops for building self-esteem. In the nonprofit world, television is often a competitor for any project that requires a time commitment.

If a group has no competitors, certainly it has “comparables.” At least in a general sense, other businesses, counties, groups or activities invariably exist in one’s arena.

In this component, a group lists and profiles its competitors or colleagues—in all cases defining and settling for the most similar or analogous organizations it can find. A core set of descriptors about what differentiates high and low performing groups is then generated. Along the four to eight characteristics deemed most consequential for success, the planning organization can position itself relative to others. This comparative mapping is generally more useful than the

balance sheet assessment formats many planning templates use which ask for strength and weaknesses without benefit of a yardstick.

4. *Benchmarks*

A final part of the environmental scan is a closer look at what another group does exceedingly well. Car makers now routinely dissect their competitors' best products and visits to high performing programs. The key to benchmarking is not the trip but the analysis. In our experience, ten people on a one-day jaunt are far less valuable than two persons who are highly skilled in looking for new practices who stay for five days to really understand something. Without this understanding, one does not know which of the factors that led to success are readily replicable and which are not.

Benchmark reports are not case studies and need contain no prolonged narrative. The point is to define in as few a words as possible what the successful company is doing in one specific area, highlighting where possible, discrepancies and differences between the subject and the studying groups.

A reverse spin occasionally practiced is a trip to a group known to be doing something poorly. For some problems and some people, looking at something that does not work can trigger both association and recommendations. The prolific author, Isaac Asimov, reported that when he ventured into a new area (e.g., interpreting the Bible, Shakespeare or genetic research), he would first read the five worst books he could find on the subject. Not only was he inspired that he could write a better book but he would know what traps to avoid!

Benchmarks enable strategies in two ways. First, they provide new visions and targets based on exposure to excellence elsewhere. Second, they often prompt new ways of seeing old content. A nonprofit dedicated to creating jobs for persons on public assistance may have always believed that a high school diploma or GED was a prerequisite to a person getting and keeping a job that had some mobility potential. A visit to a group with a very high success rate based on the presumption of on-the-job training and "just in time" skill development might lead to a different approach.

Toward Change

If done well, the foundation constructed in the strategic plan becomes not a document to be followed but a set of useful givens and variables that together prompt and enable action. In the next issue, we will deal with how strategy and tactics can best unfold.

FOOTNOTES

¹For a full explanation of one methodology for investing in results, see **OUTCOME FUNDING: A New Approach to Targeted Grantmaking**, Second Edition, by Harold S. Williams, Arthur Y. Webb, and William J. Phillips, (Rensselaerville, NY: The Rensselaerville Institute), 1993.

²As interventions, rather than codifications, strategic plans must begin with strategies for their own introduction. Most strategic plans that would redirect rather than redefine fall down here, before they even get out the organizational door.

³Innovators have this point when they speak of problems being timeless and opportunities being time-bound. Indeed, timing is often what separates a problem from an opportunity!

⁴Henry Mintzberg, "The Fall and Rise of Strategic Planning," *Harvard Business Review*, Jan-Feb, 1994, pp. 107-114.

⁵See, for example, "Approaches to Planning," **INNOVATING**, Vol. 1, No. 1, 1990, pp. 25-28.

⁶Consider the costs of participation. When organizational overhead is added to salaries, fringe, and payroll taxes and this sum is divided into the time actually worked (e.g., to adjust for holidays, vacations, etc.), the hourly cost of a person paid \$40,000 can easily become \$90. If ten persons with this salary put in 80 hours each and an additional 100 persons put in 24 hours each (including time to get to as well as attend meetings, read documents, etc.), the cost in time alone for that plan is \$288,000.

⁷Not only is it important to include all perspectives but to treat them with equal respect. Secretaries, for example, can have the best perspective on information flows, while janitors can be experts on waste in many forms. Ironically, cross section teams tend to better reflect an organization when their members speak for themselves, not as surrogates for others with the same role.

⁸For an elaboration see, "The Corbett Compact: Blueprint for Community Renewal," by Harold Williams and Natalie Hawley, *SMALL TOWN*, Vol. 10, Numbers 7-8, 1980.

⁹The fact that no trend exists is often taken to mean the presence of randomness. Not so! In general, the lack of a trend may well reflect the patterned but variable in these several factors.

¹⁰Peter F. Drucker, *Innovation and Entrepreneurship* (New York: Harper and Row), 1985.