

The Other Culture: **CULTIVATE THE GRAPEVINE**

TRANSEARCH
YOUR WORLD PARTNER IN EXECUTIVE SEARCH

John O. Burdett



Orchestra® Inc., © 2023

The Other Culture: **CULTIVATE THE GRAPEVINE**

John O. Burdett © Orxestra Inc., 2023

The Other Culture: **CULTIVATE THE GRAPEVINE**

ISBN: 978-1-7773773-7-3

National Library of Canada Cataloguing. All rights reserved.

No part of this publication may be reproduced in any form or by any means, electric, mechanical, photocopying, recorded or otherwise without the prior permission of John O. Burdett.

How Quickly You Learn is the Only **SUSTAINABLE** Competitive Advantage

“Learning isn’t reading something. That’s knowledge. Learning isn’t found in instruction. That’s know-how. Discussion doesn’t generate learning. That’s insight. We learn - and can only learn - when we translate knowledge, know-how and/or insight into action. That is to say when, through repetition, we develop and continue to hone positive habits. Meanwhile, a habit, once established, evokes unconscious learning. *Learning by doing*. Personal growth we only become aware of – and can, thus, build on – when we practice deep reflection. *Learning how to learn*. Agility is the capacity to unlearn the old and adopt new habits no less quickly than the rate of change in the emerging environment. Resilience is defined by the repertoire of enshrined habits we have available to us.”

– John O. Burdett

CONTENTS

Introduction Page 9

Part One: Setting the Context

Chapter One: The Primacy of Culture Page 13

Chapter Two: The Other Culture Page 17

Chapter Three: The Grapevine Page 21

Chapter Four: Doublespeak Page 23

Part Two: Moving to Action

Chapter Five: Cultivating the Grapevine Page 29

 1. Leadership matters Page 30

 2. Seek out the informal leaders Page 32

 3. Listen, listen, listen Page 33

 4. Tell people the truth Page 36

 5. Be optimistic Page 37

 6. Face-to-face is invariably better Page 39

 7. Know your audience Page 39

 8. Get the middle kingdom back in the game Page 40

 9. Make storytelling a key leadership competency Page 41

 10. Put energy into the engagement process. Page 42

Conclusion Page 45

Introduction

I wrote this short book for a very specific reason. Although a great deal is being currently written about organization culture, very little of that work focuses on the informal organization. This is surprising, not only because the informal culture dominates but because, as a leader, if you are not managing the informal organization, it's managing you.

The hiring process, training and development, employee safety, the approach to compensation, flattening the organization and a host of other interventions influence how the informal organization both acts and reacts. The theme of the grapevine – the communication nexus within the informal organization – was chosen because, when it comes to action, this is where leaders will likely get the greatest return on their efforts.

It's a helpful learning device but, in reality, the formal and the informal organizations are not entirely separate entities. They bleed into each other. They represent the two, interwoven strands of the organization's DNA. Two sides of the same coin. You can't spend only one side of a coin. You can't change one without impacting the other.

My insights draw on over a decade spent in industrial relations on both sides of the Atlantic, significantly longer as an HR executive working for international businesses and extensive work as a consultant focusing on organization culture in some of the world's largest organizations. It's interesting to note that, when a client calls you in to talk about culture, their initial thrust is almost exclusively about the formal organization. Culture is a system. To work successfully on culture means adopting systems thinking. The informal organization is a critical component of that system. The informal culture won't realign itself. To push it aside is to significantly expand the likelihood of unexpected consequences.

Serious work on culture has been in the works for the last thirty years. The research by Kotter and Heskett at Harvard, in the early nineties, was especially impactful. As were Jim Collins' books *Built to Last* and *Built to Change*. Important as that work was, a combination of the great exit and hybrid employment has provided a renewed and urgent need to relook at organization culture. I would argue that there are three issues that organizations must get right in very short order: (1) the business model; (2) what does it mean to be a successful team? and (3) creating tomorrow's culture today.

As a practitioner, I have kept theory to a minimum. My focus has been driven by one question, "What can the reader do differently on Monday?" Recognising that busy leaders rarely have enough time to delve into lengthy books, I have worked to focus on what is really important. Not a comprehensive guide to the informal organization. Insights, ideas and suggestions that, nevertheless, will, I believe, kickstart meaningful action.



Part One: **SETTING THE CONTEXT**



Chapter One:

The Primacy of **CULTURE**

Over the past decade there has been a heightened interest in organization culture. As we move beyond COVID, it's a topic that is receiving even greater attention. Indeed, the primacy of culture is hard to ignore. It lies at the very heart of competitive advantage. It is the key to the much heralded need for agility. In the vast majority of organizations, inclusion and diversity can't and won't be addressed without rethinking the organization's culture. The same can be said for sustainability. Beyond that, culture comes to the fore in a number of pressing competitive and operational issues.

- The great exit continues apace. It's been said that employees don't leave an organization, they leave their manager. This is demonstrably true. It is not, however, the whole truth. The talent you need most, ultimately, moves on because they don't connect with and/or fail to be nurtured by the organization's culture. The link between culture and attraction is equally impactful.





- The unprecedented and undeniable shift of power from the enterprise to the individual has led to an exponential growth in militant union action. The highly disruptive strikes in the UK and Australia by railway unions being but the tip of the iceberg. It's a mistake to assume that industrial strife is all about money. At the end of the day, organizations get the industrial relations climate that they deserve. They end up with the kind of unions that the culture creates.
- In some guise, hybrid employment is here to stay. The challenge? Reaping the benefit (agility, flexibility, opening up new pools of talent) while, at the same time: (i) maintaining a sense of belonging; (ii) developing employee capability/skill; (iii) building a vibrant team chemistry; (iv) enabling innovation and collaboration to flourish; and (v) facilitating employee engagement. We are describing a redefinition of the workplace no less significant than the introduction of the typewriter a hundred years ago.
- A global pandemic, the disruption of supply chains, increased economic tension with China, expansionism on the part of Russia, nuclear sabre rattling, once in a thousand-year floods and a whole lot more have dominated the headlines recently. The, so called, Fourth Industrial Revolution (4IR) has been largely overshadowed. That doesn't mean that the expected tsunami of technology isn't on its way. In the near future, whether you're working for a major law firm, manufacturing widgets or in health care, expect how you do business to be different – very different! To take advantage of the emerging technology, however, we are going to have to think differently, act differently and organize very differently. Organization culture is a system. You can't change part of the system without impacting the whole. To fully reap the benefits of new technology means to manage, mobilise and measure *all* of the factors that drive, deliver or potentially derail culture.
- The rate of change is changing. What in the past unfolded over years, now happens in days. It took 45 years for the telephone to reach 50 million users, television 22 years, computers 14 years, the internet 7 years, Facebook 3 years, WeChat 1 year and Pokemon Go 19 days. In 2020, Aarogya Setu, India's app to fight COVID-19, reached 50 million users in just 13 days.
- What is true regarding the speed of change is also the case when viewing the scope of disruption. Consider the impact of just one product: the iPhone. The only way you could access the internet before June 2007 was through a PC or a laptop. Printed maps, landline telephones and CDs are now a footnote in history. Point and shoot camera sales have declined 97% in the past decade. The iPhone Pro14, which has a 48-megapixel camera, now threatens to sink the rest of the \$8 billion camera industry. The iPhone also precipitated the collapse of world-leading organizations



such as Nokia, Blackberry, and Motorola. It doesn't stop there. The traditional watch, video camera and the taxi industry have been slammed. And Apple – at the time of writing is worth \$2.4 trillion – has now set its sights firmly on the \$US healthcare market. It's a market equal to 20% of the US economy. As the late Steve Jobs was proud to point out, "It's all about culture."

You know when you have a great culture. You have tilled the ground such that you are delivering a winning and sustainable value proposition. Customer defections are very few. Clients go out of their way to give you referrals. Talent fights to join you. The people you want to keep most, stay with you. Agility is apparent. Innovation is evident. New technology is introduced effortlessly. Sustainability is thriving. Diversity and inclusion are more than just proposed targets. You are learning faster than the competition. The return on investment makes you a market leader. And middle managers live the organization's values in everything that they do. The acid test of the latter? Sit down with a group of middle managers. Ask them to outline: (i) what the organization's values are; (ii) what they mean in practice; and (iii) recent decisions they have made that were shaped by the organization's values.





Chapter Two:

The Other CULTURE

There are two organizations. The *formal* and the *informal*. And make no mistake, although the formal organization gets all of the attention, the real action takes place in the white space on the organization chart, between the boxes. If you attempted to get things done by strictly following the decision-making hierarchy, as described by the organization chart, the business would grind to a halt within a week.

A little less than a century ago, Stalin – a long admirer of the highly integrated Ford Rouge River complex – thought that, as a result of formal planning and exacting control, he could ride roughshod over the informal organization. The result? “*Blat*.” A corrupt system of informal agreements, exchanges of services and getting things done through connections. It was not part of central planning, never officially recognised, but without *blat* the Soviet system would have fallen apart.

To be unaware is to be unprepared. A goldfish swimming in water might recognise another creature, but (as far we know) it’s totally unaware of the water that surrounds it. Culture is a little like that. We are immersed in it, it surrounds us, we swim in it and yet many leaders act as if it isn’t there. In some senses this is surprising. Certainly, our own “tank” has boundaries that lie beyond our perception. But what of the ongoing noise, the chatter, the constant background activity? To frontline employees it’s very evident. For many of their management counterparts, the workplace is a silent movie. Because of the pressures of the day, not a few leaders have learned how to take the background babble for granted. They tune it out. And, even when it sounds out a warning – they still choose not to hear it. It’s another unwanted problem – an unwelcome distraction – one more blip on an already overcrowded radar screen. Only when faced with total silence do those same leaders, paradoxically, start to hear what isn’t there.

“Noise” describes the ongoing buzz, behavioural cues and beneath the surface inferences that inform, alarm and, from time to time, inspire. Because it lies outside of the decision-making channels – or simply through lack of trust in management – it’s an ongoing soundtrack that the informal organization is highly attuned to. A multi-channel, changing, swirling and frequently provocative source of information that can influence different groups in different ways – often, at the same time. Metaphorically, the formal organization is classical physics. By comparison, the informal tilts towards the realm of quantum spookiness.

As an example of what leaders often choose to ignore and what the rank and file are fully



wired into, I was asked to coach a very high potential, young US executive. As part of his seasoning, the US parent organization had moved him to Canada, as the country manager. It was quickly apparent that, using a sports metaphor, “he had lost the dressing room.” A series of off-line conversations and a fairly extensive, one-on-one based 360° quickly identified a problem that was emblematic of his wider lack of buy-in from the informal organization.

He would march – a term used at the time – through the office, without looking left or right, with a grim look, neither smiling nor recognising anyone. He was totally unaware of the impression he was creating. Did it matter? It did to the informal organization; to those who observed him. In his own mind he was focused and singularly minded. He was getting on with the job. In a far more collegiate culture than he was used to, the informal organization attributed his behaviour to a lack of courtesy, a need to signal “I’m in charge” and wanting to stay as an outsider. If that seems like an extreme example, in more subtle ways, it’s an everyday occurrence. And keep in mind, the example outlined highlights the cultural difference between the US and Canada. Cultures that many would, mistakenly, see as being very similar.





Our kind are naturally curious creatures. But not always. When threat or perceived danger enter the picture, that in-born curiosity is quickly replaced by an urgent and compelling “need to know.” When faced with what we don’t know, we examine what we do know, look for signals, symbolic acts or rumours that suggest what is actually happening, talk to our peers, factor in past experience and then simply make the rest up. As a species we are really, really good at making stuff up! And if it’s a view held by an individual who is respected, others are quick to believe it. The dominant role of myth in our lives attests to that.¹

As the recent US political scene demonstrates, if enough people hear “an alternative version of the truth,” from a charismatic individual, often enough, it becomes, for many, their reality. It’s interesting to note that, whereas managers are appointed as a result of a systematic and performance-related hiring process (effectiveness/capability), union leaders are voted into office by their peers (popularity/charisma). In the space described here as the “informal organization,” in the ongoing struggle between effectiveness and popularity, between capability and charisma, without meaningful intervention, popularity and charisma, more often than not, will carry the day. When employees are asked to choose between two different versions of “the truth,” don’t be surprised if the trains don’t run.

1 A myth is a shared story that explains the unexplainable and/or allows large groups of people to follow a common cause. Although it’s rarely thought of in that way, the modern organization is a very successful myth. The challenge we face is that the organizational myth that transformed the lives of many millions in the past century is a poor servant of the unfolding reality of this century.



Chapter Three:

The **GRAPEVINE**

Enter, stage left, the most perfect communication system ever created – the informal organization’s grapevine. “Perfect” may be something of an exaggeration, but don’t underestimate the effectiveness of the grapevine. There are no upfront costs. No one needs to approve “the message.” It is unhindered by policies, procedures or the corporate agenda. Formal structures and guidelines are skirted with ease. International boundaries are irrelevant. And it is truly dynamic; it can move in any and all directions at the speed of sound. Only in the velocity of the internet do we find its equal. The latter is, of course, full of fantasy, false assertions and people whose only claim to fame is their fleeting and meaningless fame. Conversely, the research suggests the grapevine in the modern organization is up to 80% accurate. If it were packaged as “networking software” it would be a killer application. LinkedIn? By comparison, *traditional* corporate communication teams have access to little more than a bow and arrow when compared to the sophisticated weaponry the informal organization has at its beck and call.

The term “grapevine” came into common usage during the American Civil War. The tangle of telegraph wires that followed the army, many strung haphazardly from trees, were said





to look like “grapevines.” The often confusing and garbled messages these lines delivered led Union soldiers to refer to “the grapevine telegraph” as a way to describe gossip and unreliable rumours. Cyber-gossip, for that’s what much of today’s social networking sites are really all about, amounts to little more than traditional forms of gossip on steroids. Not that we should underestimate our need for gossip.

The term (grapevine) may have become popular in the nineteenth century, but story, rumour, gossip and, in times of crisis, a *need to know* represent a form of human expression that had already reached full flower when our ancestors had woolly mammoth steaks for breakfast. Or, as British zoologist, Robin Dunbar, puts it, “Gossip is to humans what grooming is to our primate cousins.” Chimps, incidentally, spend 20% of their day on grooming.

Many thousands of years of survival have honed within us an extraordinary ability for those outside of the leadership loop to: (1) “read the landscape;” (2) quickly recognise and share information that suggests danger; (3) be highly attuned to actions that might cause one to be rejected by the community;² (4) constantly assess shifts in power and status; and (5) form defensive alliances when threat emerges. Because we now work in an environment that is physically safe doesn’t mean that those early survival instincts have been lost. When the future is unsure, when people feel threatened, those same deeply embedded emotions feed today’s grapevine – exhibiting patterns of behaviour that *Homo sapiens*, the “wise ape,” developed when language was still in its infancy and creativity found full expression on a cave wall.

² Before our kind swapped the spear for the plow, being rejected by the community was, literally, a death sentence. Cyberbullying is a modern equivalent.



Chapter Four:

DOUBLESPEAK

Apart from the fact that uncertainty will only get less certain, there is a growing gulf in many organizations between what employees believe to be true (beliefs held within the informal organization) and assumptions about success projected by top management. Employees want to believe that a successful business will make sustainability a priority, be fair in all things to do with talent management (especially promotions) and be caring and supportive. What do employees hear from senior management? Success defined as the level of returns to shareholders, cost cutting initiatives and the drive for enhanced sales. Going back to 2015, in one study by WSJ+Insights, 51% of the C-suite believed that the company put people first, whereas only 28% of employees in the same organization felt that they did.

Sustainability is a case in point. My local (national) supermarket chain preaches sustainability and a healthy lifestyle. They do so, while unabashedly, selling products that are decidedly





unhealthy, protected by packaging that is far from being environmentally friendly. And if you look at the composition of their board there is not even a hint of a director with a sustainability background. In the ongoing shift of power within the modern enterprise, employees are signaling, in letters writ large, that they don't accept the *go along to get along* philosophy of an outdated leadership epoch. Employees have discovered that they don't have to accept doublespeak. They don't have to accept work and/or an organization that lacks meaning. And the response? Employees vote with their résumé. In 2021, 49 million US employees quit their jobs, roughly a third of the US workforce. The other G20 countries found themselves in the same storm-tossed seas.

What is at stake has truly significant competitive implications. For a business selling a commodity – wafer thin margins – it's a matter of survival. Organizations can't ignore the underlying clash of assumptions. Not just regarding existential issues like sustainability but in everything related to stakeholder value.³ Not to do so is to have a large slice of the organization's behaviour exhibit – even if they remain with the organization – what has, in recent times, been referred to as “quiet quitting.” Far too many employees are going through the motions of doing the job. To use a term I first came across when working in industrial relations in the UK, employees are working “without enthusiasm.” A dispute where union members worked without enthusiasm meant phones went unanswered, people worked to the clock, ideas or suggestions were withheld and any form of initiative was outlawed. What was used as a highly disruptive form of dispute resolution has now, in many organizations, become the established way of working.

Quiet quitting is hardly new. According to Gallup just 15% of the world's workers are engaged (2019). The research indicates that the remaining 85% of working adults are either not engaged or going through the motions. Although organizations have been working on employee engagement for at least four decades,⁴ the number hasn't changed much.⁵ The number of engaged employees in the US is somewhat higher (34%) but, by comparison, only 6% in Japan. For more on engagement see point #9 in Chapter five.

The challenge is to get the grapevine working *for* you. Above all else, employees want to feel that they are part of something that makes a difference. And not just for the shareholder. Patagonia, for example, is an organization that really leans into its values. By making a

3 It can be argued that the great exit is the global rumbling of a tectonic shift within society towards stakeholder capitalism.

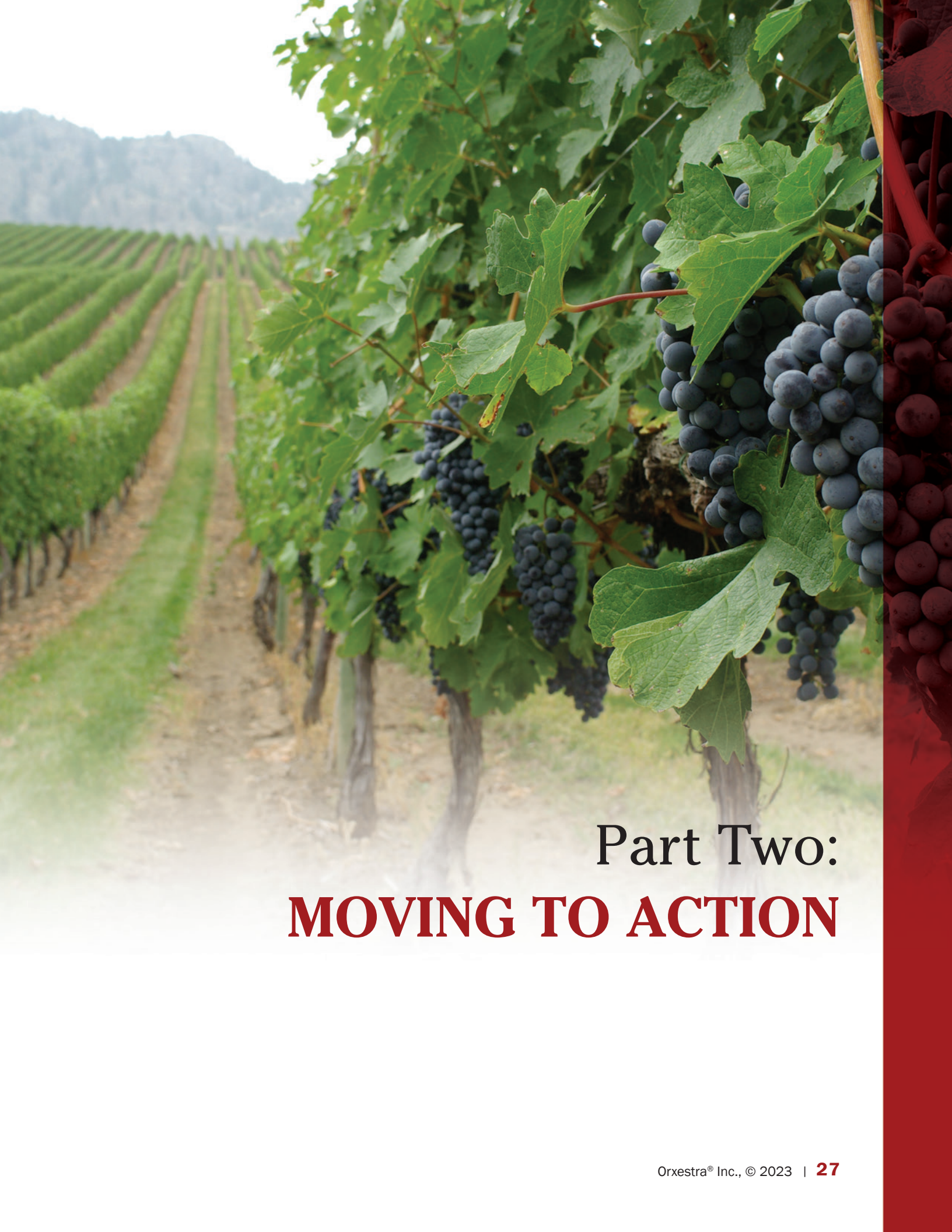
4 The origin of today's work on engagement lies with the imaginative work General Motors introduced around Quality of Work Life in the 1980s.

5 The extraordinary engagement statistics some organizations report are as a result of bundling “somewhat engaged” and “highly engaged” – a very common trait – into a single “engaged” metric. It might look good in reports to the board, but decision-making based on a false positive, especially in an issue that influences the thinking around culture, has a negative knock-on effect to a whole range of other key processes. To be engaged is binary. You either are engaged or you are not. You cannot be somewhat engaged. Try telling your partner that you are somewhat engaged in the relationship.



commitment to nature (natural capital) rather than just carbon they have built a company ethos that not only connects with employees, but it delivers a sustainable competitive edge. At a day-to-day level they operate around three key principles: (1) Company culture comes first; (2) Listen to your people; (3) Show you care. Because they actually deliver on their promise, Patagonia has 4% turnover and receives up to 9,000 applications for every open internship position. It has a similarly high demand for permanent roles. For employees, Patagonia and purpose have become interchangeable terms.

What is described earlier as a clash of assumptions can be framed as a disconnect between the formal and informal organization. When culture and strategy are not in accord there can only be one winner. And when the formal and informal cultures are in conflict the informal culture will win every time. We see this scenario being played out in countries where theocratic governance is based on a strict interpretation of highly restrictive religious values. At the same time, access to the internet – virtually impossible to restrict – provides a window on a world where freedom of self-expression is a given right. World history informs us that the informal culture will eventually win out. Demonstrations are the start of it, pushing boundaries will be part of it but, ultimately, human dignity lies at the very heart of it.



Part Two: **MOVING TO ACTION**



Chapter Five:

Cultivating the **GRAPEVINE**

In speaking of the grapevine, we are not talking about propaganda, persuasion that lacks integrity or subtle indoctrination. We are describing a business imperative. If you are not “managing” the informal organization, it’s managing you! A good example can be found in the US auto industry at the turn of the recent century. To placate an aggressive union, successive rounds of pattern bargaining (economic retreat on the part of management) meant that the auto union ended up with more influence over much of the organization’s day-to-day culture than did management. And then came 2008 and, with it, an opportunity to put the cultural toothpaste back in the industrial relations tube.

Considered by many managers as an unwarranted hindrance, the grapevine is an indelible fact of organizational life. Leaders who ignore it take a huge risk. Leaders who seek to suppress it are destined to be frustrated. Leaders who seek to manipulate it are likely to





be strangled by it. The grapevine is real, it shapes behaviour in a profound way and lack of attention merely makes it grow stronger.

We have to recognise the power and influence of the grapevine – we have to bring it out from the dark hallways and shaded corners and expose it to the harsh light of truth.

Like the successful vintner, we have to understand that if we let it grow in an unbridled fashion its product will leave a sour and bitter taste. On the other hand, if we learn to work with it, if we know how to cultivate it – we will reap a rich harvest.

What follows are ten suggested ways to cultivate the grapevine.

1. Leadership matters.

The higher in the organization a leader is, the more intense the spotlight. And even then, among the many assumed attributes of leadership, some things stand out. Leadership isn't simply living the values – it's being the values⁶. It's also challenging those who don't. If you want to disillusion young talent in the organization, if you want to destroy the credibility of the cultural message – allow those in key roles who don't live the organization's values to continue acting that way. If you want the grapevine to be dominated by the message that working without enthusiasm is the acceptable norm, ensure that your values amount to little more than website window dressing.

In turbulent times, organizations make their values central to everything they do. Rumour, stories, metaphors, rituals, humour, symbolic acts, teamwork, perceived fairness, how leaders respond to crisis represent the “soil” from which the grapevine – positive or negative – takes nourishment. When leadership behaviour amplifies the (right) organization's values, negative rumours cannot put down roots. When employees know (really know) what the organization stands for, then inappropriate gossip has little to feed on. And when caring, consistency and respect are a way of organizational life, then those who habitually draw attention to themselves by describing the glass as half-empty are robbed of an audience. If ever there was a time to confront those who don't live the organization's values, that time is now.

No less important is the reality that if the marketplace is changing faster than how quickly the organization learns, long-term success is a pipe dream. For that reason, both within the formal and informal organization, a successful leader, as and when the opportunity presents itself, is quick to reinforce what tomorrow's customer wants

⁶ About 20% of organizations don't have values. Of the rest, many have values that aren't really values but amount to little more than common practices. Your values should separate you from the crowd. Integrity, for example, isn't really an organization value. Other firms have values that employees don't believe in (only 27% of employees believe in the company's values). Many organizations have values that, in a hybrid work environment, are no longer relevant. Fortunately, although in the minority, there are still organizations that do represent best-practice.



to buy and *how* they want to buy it.⁷ Management myopia – continuously pushing for improvement without introducing the customer into the equation – gives license to the cynics to distort even the best of intentions. The topic that brings candour to chatter, that introduces direction to the discourse, that informs the informal organization is “the customer.” Leaders who interface directly with the marketplace bring the customer to the conversation quite naturally. Leaders in purely supportive roles don’t. They should.

It is believed that, so called, “mirror neurons” drive us to subconsciously “ape” the behaviour of those we interact with. This need to fit into “the community” is a programmed, survival response. The result? How those who lead teams behave makes a difference. If leaders don’t care for the people in the organization it’s naïve, in the extreme, to think that those same people would care about the organization. To lead in today’s turbulence is to care. To care about how a new team member lands. To care enough to override the accepted wisdom that the most successful individual on the team wouldn’t benefit from coaching. To care about how a remote employee with a young child and a sick parent gets through the day. Above all else, to care enough to tune into the noise, nuisance and negativity that, if you take the time to listen, shapes the informal organization – and with it the wider culture.



What gives caring wings – especially in tough times – is a leader who inspires. When the road is uncertain, the forest gets deeper and the trees seem bigger, the leader’s role is to breathe new life and vitality into the organization. COVID proved that.

Leaders inspire when positional power and personal gain give way to a compelling purpose; when the strategy is accompanied by language and imagery that is so rich that it brings tomorrow’s success to life today; when the specific outcomes demanded are reinforced by a deep belief that they *will* happen;⁸ and when the leader displays a

⁷ This is a pretty apt way to describe the business model.

⁸ One of the most remarkable leaders I have worked closely with was the late Sergio Marchionne. In the decade and half I worked with him, he displayed an extraordinary quality. When he took over a business (Chrysler being an example) and talked about future performance/profitability, based on the history of the firm, few – and especially those in the media – were willing to believe him. What was never in doubt, however, was that he believed it. He believed it so passionately and with such commitment that before long all of those around him also believed it.



passion⁹ to learn. Inspiration is made accessible – it thrives in the day to day – when the leader displays humility. To lead in changing times is to recognise that you are a work in progress. Marcus Aurelius employed a slave whose primary role was to regularly remind his master that, despite past victories, he was merely mortal. Delivering on any and every promise, humility and caring are, ultimately, how leaders win trust.

The response to a grapevine that is running wild is inspirational leadership. In tough times people want to be inspired, they need to be inspired, and when they are, today's concerns start to look a lot like tomorrow's opportunities. If the leaders you currently have in key roles don't deliver inspirational leadership, replace them with those who will. Power moves into a vacuum. When those with formal authority appear to lack leadership, the grapevine will work to fill the void. True as a general statement, this is especially the case when unpredictable disruption, disquiet with the purpose and doubt about the organization's direction enter the picture. Having spent most of my working life as an international HR executive, the conversation following the separation of a leader who was going in a different direction to the organization always seemed to conclude with the same comment. "We should have acted on this sooner."

2. Seek out the informal leaders.

In the opinion of many, *The Godfather* is one of the best films of all time. It has a wonderful script, a stellar cast and great cinematography. Factors that resulted in the Academy Award, in 1972, for the Best Picture. Beyond the qualities outlined, however, there was something else at play. A quality that makes *The Godfather* memorable. An intangible but essential factor that the audience is still, for the most part, largely unaware of. In directing, Francis Ford Coppola's genius lay in bringing together the actors, the camera, the lighting, the music, the cinematography, costume design and the timing of each scene not just to tell the story but to create the mood.

To cultivate the grapevine, a manager has to listen, observe and be attentive to the small details that signal that things are not as they were. Important as this critical focus is – a leader does more. They become acutely attuned to the mood of the organization. And if they sense the mood has changed, they dig down into the roots of the grapevine to find out why it has changed. To lead is to display mastery in understanding and, when needed, painting the mood of the organization. And in this they are greatly helped if they have developed relationships with the various informal leaders.

Leadership has little to do with what it says on the business card. Leadership is all about who people choose to follow. To that end, many of the organization's most influential leaders don't appear on the organization chart at all. Yet despite that, they make a difference, they influence opinion and, in difficult times, they are who people turn to.

⁹ Passion is to PASS(Inspiration)ON.



Informal leaders can tell you how people really feel, how the communication from the top is being received and where confusion still exists. And where trust and respect have already been established, those same informal leaders can be the means whereby ill-formed opinion is confronted and/or a positive message grafted onto the vine. Always keep in mind, one influential person can steer the mood of a very large group. We are not talking about behaviour that lacks integrity (e.g., nurturing a network of spies), but merely building an open and positive relationship with those whose informal network matters. In times of change, it's not enough to manage people, as a leader you have to manage the mood.

3. Listen, listen, listen.

Your partner, in all probability, wishes you would do more of it. It's the secret sauce in selling. Disputes don't get resolved without it. It's the earn in *learn*. It's what makes a supervisor *super*. And it's the key to unlocking the DNA of the informal organization. It's not a secret elixir or an advanced management technique. It is, however, the difference that makes a difference. Listeners leave a legacy. Learn to listen like your life as leader depends on it. Make no mistake, it does!





Be it an all staff meeting, the Christmas lunch or meeting members of the team informally, there is one non-negotiable rule. To be a great listener, you have to be fully present. You have to be there. Distraction distorts direction. It destroys discipline. There are lots of reasons to engage cruise control, to let the mind drift, to think about what you want to say while the speaker is still in full-flow. The disconnected dialogue of the Zoom meeting being yet one more. No one was ever criticised for being “too good a listener.” Prepare, clear the mind, focus and review how well you listened at the end of every interaction.

Be open. Develop a beginner’s mind. Choose to be the last one to speak. Listen to every suggestion as if it’s a new suggestion. Explore beyond the obvious. Those who tune into the informal organization see possibility through a wide-angle lens. We are hardwired to infer the speaker’s intentions; to interpret both what is said and what is implied. That you are here at all is because it’s an innate capability that your ancestors excelled at. We need to take full advantage of that behavioural software. The words spoken don’t exist in a vacuum. They construct our sense of the speaker’s purpose, values, beliefs, motivation and capability. Hearing is not the same as listening. Being aware isn’t the same as being informed.

Expand your network. Ask peers to share their perception of what excites, concerns and demotivates employees within their sphere of influence. This isn’t simply making the most of a casual conversation. Think of the outcome as invaluable business intelligence. Meanwhile, the colleagues that we can learn from are not defined by those we know best. Someone who has recently joined the organization, for example, is an invaluable



source. They have a nuanced naïveté, an amplified awareness, an intuitive insight. They see with new eyes. In doing so they reveal what is hidden in plain sight. As a result, they can bring not just a fresh perspective but, as often as not, a new way to see what is possible. But, we have to know how to listen.

Niels Bohr, the legendary pre WWII scientist, was of a mind that the key

to scientific breaking lay in the power of paradox. Let me introduce a paradox. We invariably gain most about what’s really going on by listening to those who are most unlike us. And yet, the people we exclude from our constituency are often those with whom we lack a natural affinity. We tend to avoid those who make our life difficult, those who make us angry, those who ask the questions that make us uncomfortable. To be a leader is to *actively* seek out those who disagree with you. It is to make the first call



of the day – both video and voice preferred – to the person you least want to talk to. It is to listen hardest to the individual on the team who frustrates you the most. Personal breakthroughs happen when we afford others the opportunity to challenge our way of thinking. When we listen less, we become more set in our ways. When we listen more, we open new pathways.

Listening with purpose, pulling back the veil that cloaks intent, tending the grapevine may be “in the moment” but it should not be limited to *the moment*. “Learning isn’t reading something. That’s knowledge. Learning isn’t found in instruction. That’s know-how. Discussion doesn’t generate learning. That’s insight. We learn - and can only learn - when we translate knowledge, know-how and/or insight into action. That is to say when, through repetition, we establish positive habits.

A positive listening habit has to respect both content and context. Consider, for example, how important good listening habits are to each step in the following problem-solving discussion.

Step one: Mindset. Start as you mean to go on. Read the room. Quell the mind, push aside distraction, be in the moment.

Step two: Draw out the issue. Establish psychological safety. Look for the opportunity to catch people doing it right. Reinforce positive behaviour. Let others define/outline the issue first. Give the speaker(s) your FULL attention. Let go of knowing. Don’t get trapped by first impressions or past assumptions. Have a beginner’s mind. Engage your curiosity gene. Listen to the space between the words. Hear what isn’t said. Explore what’s possible. Encourage people to paint outside the lines. Question to fully understand. Silence is often the best question of all. Introduce your concerns, ideas, untapped opportunities and/or the needs of other constituencies into the conversation.

Step three: Agreement. Summarise the conversation as it relates to the immediate challenge. Establish/agree the way forward – not how to fix what is past.¹⁰

Step four: Tactical commitment. Validate commitment to the immediate next steps.

Step five: Risk. Explore the issue with the extended future in mind. Consider longer term, unintended consequences of the agreed immediate actions.

Step six: Strategic commitment. Agree on and validate commitment to the longer term actions.

Step seven: Collaboration. Ensure that all those involved move forward together – both tactically and strategically.

¹⁰ Not why you lost the customer but what will we do to win them back?



Think about the many ways a leader's approach to problem solving affects the grapevine. Recognise how essential listening is at each step. Not helpful or beneficial. Essential! If you don't listen you can't learn. If you don't learn, what lies ahead is destined to be but more of what is past.

4. Tell people the truth.

It's foolish to think employees don't know when what they are being told is skewed to reflect what it is management thinks that they need to hear. Unnecessary rules negatively fuel the grapevine. As does arrogance, an ego-driven request, lack of authenticity, limited freedom to act, overly complicated processes, partial transparency, the language of control, half-truths and a self-serving agenda. I recall listening to the CEO of a global organization talking to a group of his senior executives. The topic? The culture "he" wanted to instill. In his 40-minute presentation, he used the word "I" at least 20 times. Part of the way through the much-needed work on culture, the board replaced him. If you are the problem, it's tough to also become the solution.

People know when they are hearing only part of the truth, a narrative slanted to meet the needs of the speaker, language that lacks authenticity and/or anything that smacks of





misleading persuasion. Don't hold back. Share the numbers. Be honest about future sales. Let people know what's really going on. Or as Churchill put it so powerfully, "When you withhold the truth (today) you are sowing the seeds of tomorrow's disillusionment." A master communicator, one of Churchill's favourite expressions was, "A lie gets halfway around the world before truth puts on its boots." In that it is even more adaptive than a lie, rumour has upsized wings on its Nikes.

For most of the 1930s, the majority of Europe's leaders, including the British Prime Minister, Neville Chamberlain, either ignored, misrepresented and/or sanitised the truth surrounding German rearmament. Winston Churchill's parliamentary response was, "Tell the truth to the British people; they are a tough people, a robust people. If you have told them exactly what is going on you have ensured yourself against complaints and reproaches that are not very pleasant when they come home tomorrow on some disillusionment."

No one should be treated as if they are not worthy of hearing the truth. Meanwhile, honesty, if accompanied by rudeness, being inconsistent and/or lack of humility, comes across as just another form of exploitation. The TRUTH should always be framed by:

The facts as the speaker understands them;

Recognising that every promise is a binding commitment;

Understanding and empathy regarding how the message will impact the listener both in the short- and the long-term;

Timing; and

Hope for the future (see below).

5. Be optimistic.

Telling people the truth doesn't mean that the message has to be stripped of hope. To do so is to create a vacuum of uncertainty that allows the naysayers to fill the void. Because our interpersonal antennae are programmed to look for external threat, unduly pessimistic scenarios have the potential to be both contagious and self-fulfilling. Optimism, meanwhile, has to be based not just on the possibility of future success, but that the speaker truly believes in a brighter tomorrow. This projected belief has to be present in both the language used and, equally important, the signals those presenting the message send out.

The posture, the tone, the sense of confidence behind the message is, in many senses, "the real message." That is not to say the language itself isn't important. Many words in the current leadership lexicon suck the energy out of the organization. The term



“change” has become so tired that most people interpret it as meaning “more work.” And cultural change equates to “a lot more work.” In moving the organization in a new direction it should always be top of mind that we explore the world through metaphor and learn through stories.

Remember, people imitate and take on board the emotions of those they trust and admire. As already discussed, how you walk through the office matters. How you are on the elevator – because your fellow riders are in such close proximity – matters even more. A tired or worried look can (and will) be interpreted to mean that layoffs are on the cards or that some other disaster is about to overtake the business. We are programmed to hope for the best but, more dramatically – in the dialogue we have with ourselves – to be constantly on the lookout for the worst thing that could happen. When we receive 360° feedback the many positive comments are quickly taken on board. It’s the one criticism that, in our mind, we keep returning to.

Let me underscore the “fallacy of the moment” with a dash of humour. A psychologist in the British army was keen to test the belief that morale was strongly related to the sex life of the enlisted troops. Testing this hypothesis naturally meant interviewing



a fairly wide sample. The hypothesis was proving to be true, that is, until a slight young man entered the psychologist’s office with the biggest grin imaginable. Going forward, the interview was conducted assuming that the young soldier must have a very active love life. When that proved to be very far from the truth, the psychologist, with unwarranted *gravitas*, enquired as to why, in that case, the young soldier was so happy. After a long and embarrassed pause and in a

voice that could hardly be heard, the soldier whispered, “Tonight is the night!” Like the hoe in the hands of a good gardener, humour is a powerful grapevine cultivation tool. It turns around truculence, punctures pomposity, takes away tension, reframes rejection and leaves an indelible impression long after the speaker is forgotten. The right humour at the right time, that is! To manage your mental health and to expand your resilience quotient, approach the work seriously, but don’t take yourself too seriously.



6. Face-to-face is invariably better.

Trickle-down communication has its value. At times of crisis, however, we are who we were when hunting and gathering were all we knew. When uncertainty rules, people don't want to hear about it in an email or on the firm's intranet. People want to look the leader in the eye and know that they are hearing the truth. That the leader can be trusted. This means town hall meetings, breakfast sessions, standing on a box on the shop floor or any other eye-to-eye communication that allows authenticity and integrity to shine through.

Virtual can work but it needs a very different technique. Better planning, stronger structure, slightly slower cadence, richer and shorter stories, less time per topic/slide and inspiring visual material. Especially, the latter. And while on the topic of getting buy-in, don't allow ongoing meetings of your team to conclude simply with what has been decided. To do so is to invite everyone at that meeting to convey their own version of the decision made. Agree on *specifically* how everyone in the room is going to *communicate* what was agreed. Don't assume. Follow through. Consistency matters.

7. Know your audience.

Many of those who joined the workforce in the last decade or so are turned off by communication that isn't: (1) visually engaging; (2) simply written; and (ideally) (3) interactive. For that reason, a video, blogs, Facebook, text-messaging and their interactive, real-time cousins have, for this generation, all replaced yesterday's traditional forms of communication.

Take a look at your corporate website. The probability is that it was designed for people who, it is assumed, are willing to set aside time to read. Visitors make their mind up, whether to continue or to leave your website, within all of ten seconds. Today, more than ever, we are visual beings. If the opening image isn't engaging and doesn't, in some way, capture what makes your organization special, don't expect clicks to be converted into hits.

To energise and give the grapevines unbelievable reach, today's social networking drumbeat has replaced, for good or bad, virtually every other overt way to "know what's going on" – and often in real time. In delivering a presentation to a large group, expect a percentage of participants to be texting each other as to the merits of performance. You ignore social media at your peril. Left untended it will run rampant. Like the rest of the grapevine, you have to cultivate it. If you don't have a truly outstanding – and diverse – team whose role in life is to work the cyber-grapevine – you are losing ground. Customers may be the lifeblood of tomorrow's organization, but how you communicate with the informal organization dictates how you will get through today. Winning the trust, loyalty



and respect of the generation now entering the workforce today is an essential investment, if you want to be around tomorrow, that is.

A final comment focusing on email. Don't put anything in an email that would set your career back if it was read aloud on the six o'clock news. Nothing is entirely safe. In an irony of ironies, while in production, even much of the video content for the *Grand Theft Auto Six* video game was stolen by persons unknown.

8. Get the middle kingdom back in the game.

The overall lack of employee engagement (15% worldwide) is an indictment of the billions of dollars spent every year on developing leaders. And yet the problem runs deeper than it first appears. The group that is most disengaged? Middle managers. In organization after organization the research indicates that middle managers are disheartened, disappointed, disconnected and demotivated.

The one thing that damages organization spirit faster than anything else is when a middle manager appears to be out of the communication loop. When employees read about it in the newspaper first, when hourly employees look to their union representative for information, when the latest scuttlebutt contradicts what the supervisor is saying, you are destroying the credibility of the group who translate ideas into action. You can't afford those at the sharp end of the business (the supervisor) to form an opinion that upper management doesn't care. And if you are being told that you really don't need middle managers, think again. Take that linchpin role out of the performance equation and the hiring process, performance feedback, process improvement, team effectiveness, managing the grapevine and a whole lot of other issues become open to the whims and fancy of whoever has the loudest voice (decibel management). And if you want to know who really shapes the culture – look no further than the middle kingdom.



Train middle managers in how to hold regular briefing groups¹¹ with their team. Make sure that the information contained is up to date. Have the middle manager in question invite questions from their team. Anticipate as many of those questions as possible when the brief is prepared. Make sure the middle manager is given a response to the questions they couldn't answer within 24 hours. Finally, if you operate across international boundaries or have a multicultural workforce, make sure that the team who prepares the middle management briefs is sensitive to the needs of different audiences. In managing the grapevine, the leaders who potentially wield the most influence sit in the middle of the organization. It's crazy to leave them sitting – and invariably complaining because they are – on the sidelines.

9. Make storytelling a key leadership competency.

Organizations are full of rich stories. The dilemma? Many of those same stories remain untold. Even more problematical, when the organization runs into a strong headwind, it's the negative stories that dominate the airwaves. Negative stories hold you back. They make even the most agile organization put on heavy boots. And make no mistake, you can't get rid of those negative stories by trying to get rid of negative stories. In attempting to do so, you merely create yet one more *negative story*.



¹¹ The whole idea of briefing groups is to ensure that middle managers are the ones employees go to for information. This speaks to credibility. A middle manager meets with their team twice a month. The 45-minute session is supported by a prepared “brief” that the manager communicates to the team. The brief also contains answers to most anticipated questions. Questions that the middle manager can't answer are fed back to the manager within 24 hours. In a unionised environment, the manager/supervisor no longer loses credibility because they are the last ones to know. Unionised or not, the briefing approach is an invaluable way to cultivate the grapevine.



The way forward is to make the stories you tell so compelling, so vibrant and so vivid that they strangle the negative stories to death. Bring positive stories to meetings that emphasise your organization's story, provide examples of breakthrough thinking, display success in the face of adversity and celebrate your most recent heroes. Negative stories can inform, but only positive stories inspire. Remember, if your stories don't dominate the airwaves, someone else's will!

We are, as Desmond Morris¹² calls us, "the storytelling ape." As a species we, literally, need stories. They nurture a part of our makeup that nothing else can. If Abraham Maslow was still around and was persuaded to revisit the hierarchy of needs, story would be right up there with love and a sense of belonging. A full 70% of the bandwidth of the internet is made up of stories. Story and its alter ego, play, are the richest form of learning. Some of the most successful companies on the planet are built around the power of story. Winning advertising draws on an engaging story. Expect future investment in technology to dramatically expand the role of story in business. Story as applied to training, assessment of talent and team-oriented video games is on the march. And look forward to software that will allow you to build your own story-based tools.

The right story changes the chemistry of the brain. They make us feel good. And the secreted oxytocin makes us more open to the ideas of others. Leaders are storytellers. They collect stories. They share stories. They create stories. Simply put, great leaders are great storytellers.

Ultimately, in cultivating the grapevine, it's not rumour, conjecture or inference that compete – it's stories. Even the most compelling story has a simple frame: (1) the context, (2) the issue, (3) the hero, (4) the struggle, (5) the outcome and (6) the learning.

The most valuable stories allow the team/informal organization to see their emerging reality through a new lens. A different mindset. If your leadership approach doesn't excel in storytelling, by default, you are passing the "talking stick" to someone whose stories may not be especially sympathetic to the future you need to create.

10. Put energy into the engagement process.

Looking good doesn't mean that you are doing good. Don't get drawn into thinking about engagement as a public relations exercise – that success is appearing on the requisite "top 50" list. There are a good number of dimensions to engagement, but at its very core, it's about looking at a number of key issues in different ways. Is the organization's purpose clear? Are the organization's values woven into everyday decision-making? Are your employees totally connected to the work they do (in flow)? Do they have a sense

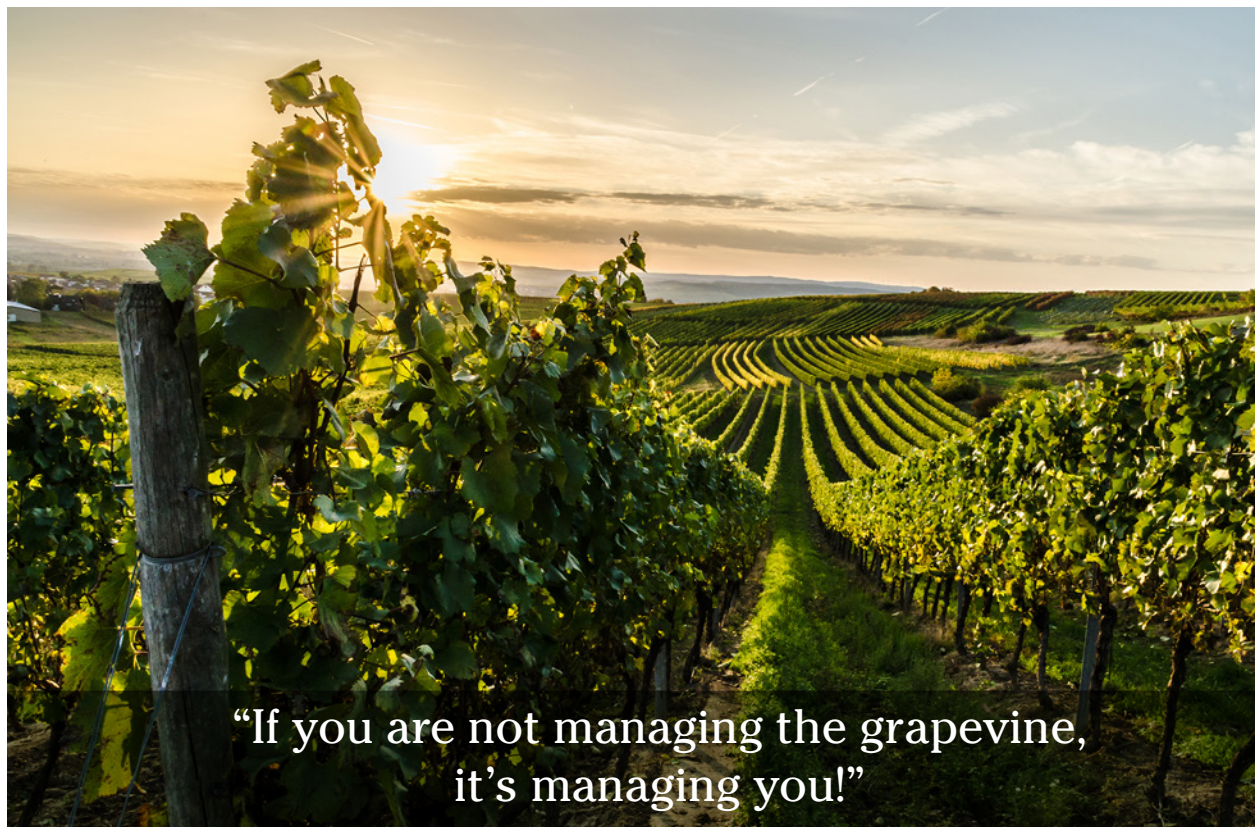
¹² Desmond Morris is an English zoologist. He is especially known for his 1967 book, *The Naked Ape*.



of belonging? Do they relate to, respect and trust their team leader? Do they feel that they are part of an outstanding team? Are they growing? Do they have a choice about hybrid employment? Regardless as to what other feedback you receive, if the answer to the questions outlined isn't in the affirmative, revisit the organization's approach to engagement.

The simple rubric here is that when people feel engaged, when they feel that their opinion matters, when they are given the opportunity to rework the processes that define how things get done, instead of waiting to see what's going to happen next, they do what any self-confident and proactive person would – they ask!

Don't be persuaded to replace the 60+ engagement questions typically in the full engagement survey with a significantly reduced monthly "pulse survey."¹³ At most, the established engagement survey addresses no more than 20% of the factors that shape the organization's culture. Reduce that number – as is becoming common – to ten monthly pulse questions and, by implication, the 2% of the culture you are now



13 Do both. "Pulse" implies employee feedback that takes place regularly rather than annually. A good idea in general but not if the pulse survey totally replaces a deeper dive into engagement. Saving money, if it also means losing ground, is a fustian bargain.



discussing is the organizational equivalent of stepping into heavy traffic with your eyes closed.

Cultivating the grapevine also speaks to an engagement process that moves beyond the engagement survey. It takes for granted that each team has an opportunity to address the issues that come up in the survey. It presumes that team members are given the freedom to act and that stretch, personal growth and ongoing coaching are woven into the very fabric of the organization. We are describing a culture where how quickly people learn is a strategic advantage, challenging the status quo is a way of life and psychological safety is an imperative that the team works on every day. It also means that those in positions of power don't merely listen to feedback, they act on it. Quickly!

Employees who believe they have a future with the organization have a vested interest in challenging the negative aspects of the grapevine. As a rule of thumb, the greater the alignment between how people would choose to work and how they actually work, the more the grapevine starts to become an asset rather than a handicap. Know also that there is a distinct relationship between team chemistry and the health of the vine.



Conclusion

In conclusion, a word about agility. The relationship between leadership and agility is hardly new. Whether it be war, business or even the arts, agility has always been a critical success factor. In 1598, with heavy snow on the ground, because of an ownership dispute, William Shakespeare and his partners, the Burbage brothers, organised a team to pick up and cart their theatre half way across London. And they did so between performances. It was a three story, wooden building over a hundred feet across. Once rebuilt it was given a new name: the Globe. It's somewhat ironic that the play that went ahead that first night depicted a legendary figure who knew something about the movement of manpower and materials. An especially raucous audience (not that unusual) was to enjoy a fine production of *Julius Caesar*.

The need for agility in today's business environment isn't open to debate. Just to survive you have to be agile. The challenge? Agility is truly multidimensional. Agility of thought. Agility of action. Agility in dealing with others. And agility in terms of being willing to redefine what it means to be successful as a leader. Agility also applies to the organization's culture. A culture that has two quite different but, at the same time, integrated sides: formal and informal. Change any aspect and you impact its alter ego. Agility is, thus, to embrace one while fully taking account of the other. It's to create meaning but also display mastery of the mood. It's to know that, although strategy is developed at the top of the organization, it cannot be achieved without the support to those in the middle of the organization. It's to acknowledge that without the customer there would be no business and that without the commitment of those who make up the informal organization there would be no customer.

Two-thirds of all customer defections have little to do with price, technology or the product. Customers vote with their feet, for the most part, as an outcome of how they are treated. Every time an employee talks to or serves a customer, it is inevitable that the messages carried on your grapevine bleed into that conversation. Failing to cultivate the grapevine means, by implication, you are not managing the customer experience. And right now, nothing, literally nothing, is more important to your business.

Predating written history by tens of thousands of years, the grapevine thrives because it serves a meaningful purpose. Gossip in its various forms feeds us emotionally. You can figuratively take a flame thrower to it, pour weed killer on it and/or try to tear it out by its roots – one thing remains certain – the influence of the informal organization isn't going to go away. Ignore it and it will grow stronger! Conversely, work with it, cultivate it and understand how to reap its rich harvest, and the grapevine can become an invaluable asset for your organization.



Learning and Reflection

1. In cultivating the grapevine, what do we need to start to do? Do better? Do more of? Stop doing?
2. Which of the following needs to be revisited and how?
 - Exploring future possibility
 - Day-to-day execution
 - Employee empowerment
 - Empathy when the members of the team face personal issues
 - Exemplary behaviour regarding sustainability, diversity and fairness
3. On a scale of 1-10 (where 10 is mastery and 1 is dysfunctional), how well do people on the team listen to each other? How can that be improved?
4. How can we keep team members better informed?
5. Do we live the organization's values in everything we do? How can that become the day-to-day reality?
6. What is the organization not doing, that it needs to do, to get middle managers fully into the game?
7. How can we all become better at storytelling?





John O. Burdett

*“Organizations
don’t have a
culture, they are
their culture.”*

- J. O. Burdett

JOHN O. BURDETT has worked in over 40 countries as an executive and as a consultant for businesses that are household names. He continues to work on leadership development and organization culture for some of the world’s largest corporations. In 2019, his work with ABB’s top 240 executives received a major international award for the most innovative leadership development initiative of that year. His ongoing partnership with TRANSEARCH International means that his proprietary work on talent acquisition, in any one year, successfully supports many hundreds of top leadership appointments on six continents.

He has written extensively on executive coaching and was awarded international coach of the year by the Finnish Institute of International Trade. Business graduates at the University of Texas indicated that his material on coaching was the single most valuable learning source they took away from their undergraduate degree. He has also coached numerous executive teams around the world in how to coach. He

currently coaches a select group of CEOs. Apart from a range of corporate leadership workshops, he has taught at business schools on both sides of the Atlantic. His work on the MBA program at the University of Toronto received a teaching excellence award.

John holds a doctorate in management development and is a Fellow of the Chartered Institute of Personnel and Development. In addition to numerous business articles and twice being awarded article of the year by MCB publications, he has published 15 books on leadership, talent management, coaching and organization culture. A number of them bestsellers. His *Leadership Beyond Crisis Series* came out in 2021. In 2022, he brought out a fully revised version of his international bestselling book on executive integration: *Without Breaking Stride*.

Go to the TRANSEARCH International website to download John’s books and articles (gratis). The site also has a number of webinars.

