

# The Moment You Can't Ignore

WHEN BIG TROUBLE LEADS  
TO A GREAT FUTURE

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*How Culture  
Drives Strategic Change*

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and Barry Dornfeld



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# Introduction

## *The Many Ways to Attend a Funeral*

**W**E FIRST ENCOUNTERED A MOMENT we could not ignore almost thirty years ago—at the funeral of a Hmong friend named Bee Lor. We weren't in the highlands of southern China where the Hmong originated, or in Laos where they lived in refugee camps after fighting for the United States during the Vietnam War. We were in Philadelphia, Pennsylvania, where the Hmong had immigrated in the 1970s—a place as familiar to us as it was unfamiliar to the Hmong.

At the time, we knew the funeral was an important moment but had no idea how important it would become for us today as we work with company after company facing challenges that

are cultural at their core. In those Philadelphia days, we were training as ethnographers and just beginning to explore how culture works. Today, when we listen to people talk about the problems they are having with “culture,” we know what they really mean: *Our organization is stuck. We're not quite sure how or why. Or what to do about it.*

The problem of organizations getting stuck has intensified in the past decade. As continuous change became the new normal, addressing cultural challenges became more difficult. Each wave of change was followed by another, bringing with it a demand for new capabilities, new ways of working, new behaviors. People had no time to catch their breath, reflect, and assess where they were.

As organizational change came crashing in, it encountered resistance. Increasing friction brought issues of culture to the attention of business leaders and challenged their ability to move their companies forward. While working with our clients, we began hearing phrases like “culture eats strategy for lunch,” an aphorism often attributed to management thinker Peter Drucker. It means that no matter how sharp or differentiated your strategy, if you do not have an organizational culture that can put this strategy into action it will likely fail.

When the stress of change becomes too much for an organization, the situation often erupts into an “un-ignorable moment”—an event or action, or even a comment, that stops you and your organization in its tracks, a moment when it becomes blindingly clear that new ways of working are clashing with existing ones. Paradoxically perhaps, the way to reduce the

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friction caused by these new ways of working can usually be found somewhere in the existing culture, which has the potential to be the most useful, resilient, and adaptable resource you have. But understanding that can take time. We've been learning about how culture works for some thirty years—ever since Bee Lor's funeral.

The un-ignorable moment that day provided an important lesson for us. At the time, we were working toward our doctoral degrees at the University of Pennsylvania—Barry at the Annenberg School for Communication and Mal in the Department of Folklore and Folklife. Not far from the Penn campus, a few thousand Hmong people lived in a refugee community, a cluster of rental homes in West Philadelphia. We met many of them, including Bee Lor, while working on a project to document the experiences of the Hmong.<sup>1</sup> They had migrated to the United States in the aftermath of the Vietnam War, settled in Philadelphia and other American cities, and gradually established a community. As a result of our work together, the Hmong came to know us as “American friends.”

When we first worked with Bee, he was in his late teens. In his mid-twenties he was diagnosed with hepatitis B but led a pretty normal life for many years. He completed his education, got married, and started a family. In his late thirties, however, he suffered complications and, after a protracted illness, died.<sup>2</sup>

We were invited to a gathering that turned out to be similar to a Catholic wake. Bee had been laid out in a casket in the auditorium of the local high school. He was smartly dressed in a suit and his head rested on beautifully embroidered “sun

pillows.” There were hundreds of people there and we got in line to approach the casket and pay our respects.

That’s when the un-ignorable moment arrived. The first mourner stepped forward, looked at Bee, and erupted in a wild outburst of emotion. She screamed. Threw up her hands. Fell across the casket. Sobbed uncontrollably. Then, just as suddenly as the outburst began, it stopped. She composed herself and moved on to the reception. Surely this was an anomaly? No. The next mourner stepped forward and did the same thing. And on it went. When our turn came, our somber looks and quiet demeanor seemed inappropriate and we felt awkward and weird.

What we had witnessed, of course, was an example of ritual mourning, a long-standing tradition in most cultures, but a version of mourning very different from what we had grown up with. At that funeral gathering, we saw that culture was not something that “others” who are “different” have. We understood that what seems natural and normal is largely defined by culture, by the perspectives we learn and bring to the world.

Now, when working with organizations, we encourage people to explore this point of view. When trying to make an organizational change, we are challenged to see our own culture clearly. And to do so, we have to find a way to “make the familiar strange” as the well-known anthropologist Ray Birdwhistell put it.<sup>3</sup> Only then can we identify what’s causing big trouble and determine where our successful future lies.

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EXPERIENCING AN UN-IGNORABLE MOMENT provides a superb opportunity to learn from that experience and take action, and that's where the method we were trained in, ethnography, can play a useful role. Ethnography studies culture by observing it in action. You can use what you learn to understand how your culture best adapts to change, without abandoning or violating its identity.

By using the ethnographic approach (“ethno” means “people or culture”) you can understand the world in which a group of people live by seeing things through their eyes—or, as anthropologist Bronislaw Malinowski described it, taking “the native’s point of view.”<sup>4</sup> “Participant observation,” a way of working at the heart of the ethnographic method, is particularly effective in organizations. It involves working and sometimes living with the people being studied. You engage with them in their own environment, participate in their activities, and ask them questions to strengthen your understanding.<sup>5</sup>

Ethnographic methods work as well on the front line, or in the boardroom, of a Fortune 500 company as they do with a refugee community in a city, if a little differently.<sup>6</sup> As social scientists, we seek understanding to deepen our knowledge about society or aid social change, while in business our goal is to improve performance by solving a specific problem that will lead to a positive change for the organization. For example, a software company might look at the work flow of its engineers to help them improve their efficiency. Retailers might study how consumers use their products in order to improve their offerings. We are not the only ones who have harnessed the power of ethnographic methods for improving business

performance. Large companies such as 3M, Intel, and IBM, as well as smaller businesses and nonprofit organizations, have incorporated elements of the ethnographic approach in their quest for innovation.

When you observe people's behaviors in getting work done, you see that many of them are not formally defined but are tacit: not openly spoken about, although generally understood. Others are explicit: openly stated, shared, and discussed. An ethnographic perspective on organizational culture focuses on both:

- *Systemic agreements about how work gets done.* Work is conducted in organizations by following tacit as well as explicit agreements about how to divide tasks, how decisions should be made, and how to allocate and consume resources. When you are trying to make a change, these agreements, especially when they have become tacit and assumed to be “the way things get done around here,” may become invalid. When that happens, people will no longer understand how to get their work done and productivity will plunge.
- *Rules for how individuals interact with one another.* There are many unspoken rules that pertain to human interaction. How to act in a meeting. How to communicate with a boss. How to work in teams. Again, when you are seeking change, these rules for interaction may no longer make sense. As a result, people will be unsure how to

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interact with others. They may be confused and hesitant. Conflicts may erupt and productivity will suffer.

Together, these two dimensions of culture play out in workplaces every day.

#### FOUR QUESTIONS THAT AN UNDERSTANDING OF CULTURE CAN ANSWER

When you seek to make a change or accomplish a transformation in your business, you need to pay attention to your organizational culture, understand it, and, very importantly, *trust* it. When you understand culture, you can answer four questions that are fundamental to any change effort:

- *What is our identity as an organization?* If you have gone through multiple shifts in strategy or a number of restructurings, your people may no longer be sure about the identity of the company. Who are we? What do we stand for? What's the connection between our identity and our strategy? These questions are as fundamental to your success as strategy-related questions, like, what business are we really in? When your people are uncertain about the company's identity, they will find it difficult to execute on any strategy with passion or commitment.
- *Who's in charge?* Sometimes people are not clear about who's in charge of any given initiative at any given time.

Is it the person with the title or the one with the expertise? Is it the maverick team leader or the unit executive? When people don't know who's in charge or how to determine who is in charge or should be, they may become paralyzed and unable to take action.

- *How do I lead?* People with formal authority may find themselves unable to lead effectively. Simply ordering others to follow them doesn't work—they don't know how to generate energy and spark enthusiasm for an idea or initiative. Although people in senior positions in traditional command-and-control hierarchies may realize they have to think about leadership differently, they may find it difficult to adjust to the emerging approach that we call “command and collaboration.”
- *What is our future?* When people are unsure of what their company identity is, don't know who's in charge, and can't get behind their leaders, they have little capacity to innovate, make changes, and propel their organization forward. Old ideas get rehashed. New ideas get squashed or lost. Consequently, people are unable to navigate through the turbulent waters of the constantly changing business environment.

In this book, we take you on a journey that will help you answer these questions for your own organization. Why are these questions so important? Because they are the ones that always come up as a company struggles with change. Your problem may look unique to you but is likely a manifestation of the

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overarching issue that so many organizations are dealing with today: the organization as we have known it for decades is just not equipped to meet the challenges of working amid rapid and continuous change.

In the following chapters we present a method, developed over a period of years with companies of many kinds, that enables you to remove the barriers to success and make room for the capabilities needed to thrive and even transform a business. The ultimate goal is to become what we call a “superconducting” organization, in which:

- *Strategy and culture fuel each other.* Leaders continually translate strategy into specific, well-defined, on-the-ground actions and behaviors.
- *Hidden assets are leveraged.* Leaders value the courage of people throughout the organization, so hidden or underused assets are acknowledged, brought forward, and can be used effectively by others.
- *Interests are negotiated openly.* People hold honest, challenging conversations, negotiate their interests openly, and are supported in doing so. Agendas are made explicit, and people can see when and how their contributions have power.
- *Decision-making takes behavior into account.* When people make difficult decisions, they consider the impact of those decisions on behavior, so that people are clear about what to do and have the ability to learn from errors and make adjustments quickly.

These organizational features may sound simple and straightforward, but can be quite difficult to achieve and sustain.

### PREVIEW OF THE BOOK

The book unfolds in seven chapters. Three of them take the form of extended case narratives. They are based on real companies and their challenges, but we have synthesized their issues, changed names and other details, and dramatized the action so the lessons are clear and applicable across many fields of endeavor. Four chapters describe our framework for creating change by applying the ethnographic approach, by analyzing the case narratives and bringing in other cases and examples.

*Chapter 1, A Case of Conflicting Authority*, tells the story of “University Hospital,” a health care provider that faces an unignorable moment when long-standing agreements about how work gets done in the operating room come into conflict with newer agreements that are part of a change initiative to improve patient safety.

*Chapter 2, The Un-ignorable Moment*, describes those potent cultural moments (such as our experience at Bee Lor’s funeral) that contain a huge quantity of information and potential for catalyzing change. Every company that tries to transform or reinvent itself in some way comes up against such moments, and must learn how to understand them and unleash the positive energy that is contained within them.

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*Chapter 3, A Case of Adaptive Identity*, explores the challenges facing Quire, a global software company that has grown through acquisition and has built up considerable debt. To avoid becoming an acquisition target itself, the company has to make a strategic transition from cost-cutting and efficiency to double-digit organic growth within three years.

*Chapter 4, Finding the Future Inside*, describes how to locate the elements of your culture that you can build on for future success. We call these “found pilots”—people, places, and projects where the desired cultural practices are already happening. By harnessing the success of these found pilots, you can make a smoother transition from old to new.

*Chapter 5, Sweeping People In*, looks at how you can mobilize people’s energy in service of the new cultural agreements your company needs to fulfill its strategic commitments—especially in organizations that are complex and resistant to change. The ability to mobilize people’s energy is enhanced when you use social networking tools to engage those who may not agree with you.

*Chapter 6, The Case of the Leader Who Finds a New Kind of Power*, relates the difficulties of the newly appointed president of Moncrieff University, who devises a brilliant plan to bring the institution out of its financial troubles and into the international spotlight. Unfortunately, he fails to engage important leaders on and off campus and finds himself facing a powerful wave of resistance from the faculty and the board of trustees.

*Chapter 7, Leading Leaders*, describes the challenges of leading when your followers are, in effect, volunteers—people who manage their own careers and have multiple affiliations. Leaders can no longer “command and control” but must learn to “command and collaborate.” Leaders can no longer push for results but must create pull for achieving them by mobilizing the passion, interests, and energy of others.

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ONE FINAL THOUGHT BEFORE YOU READ FURTHER. As you begin to tap into your culture to enable change, you’ll find others within the organization right there with you. But there will be some who show little interest in participating in the new cultural agreements. You may find yourself thinking that such people are acting in a resistant, inauthentic, or artificial way. When that happens, remember the “native’s point of view.” Behavior is culturally prescribed. Those resisters are likely acting in ways that are culturally considered to be the normal and natural way to do things. Having at your disposal a variety of ways to form cultural agreements provides you with the flexibility you need to create change in turbulent times.

As it turns out, there are many ways to attend a funeral.<sup>7</sup>