SILOS, POLITICS and TURF WARS

A LEADERSHIP FABLE

about destroying the barriers that turn colleagues into competitors

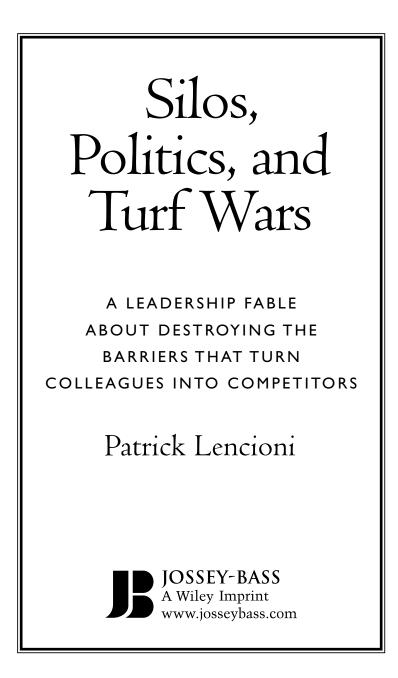


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Also by Patrick Lencioni

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This book is dedicated to my dear friends at The Table Group: Amy, Tracy, Karen, Michele, and Jeff. Your dedication and talent amaze me more every day and cannot be put into words adequately.

INTRODUCTION

Silos. It's a word I first started hearing in a corporate context more than twenty years ago, always used to describe departmental politics and territoriality within organizations. At the time, I thought it was one of those terms that would eventually go away like so much other management jargon—but it hasn't.

In fact, today the word seems to provoke the same level of frustration that it did back then, if not more. When I told some of my clients that I was planning to write a book about silos, they seemed to have a universally visceral reaction: "Pleeease write that book. The silos in this company are driving me crazy!"

Which would seem to be a good thing—proposing a solution to a problem that people are hungry to solve—except that my view of silos might not be what some leaders expect to hear.

That's because many executives I've worked with who struggle with silos are inclined to look down into their organizations and wonder, "Why don't those employees just learn

Introduction

to get along better with people in other departments? Don't they know we're all on the same team?" All too often this sets off a well-intentioned but ill-advised series of actions training programs, memos, posters—designed to inspire people to work better together.

But these initiatives only provoke cynicism among employees—who would love nothing more than to eliminate the turf wars and departmental politics that often make their work lives miserable. The problem is, they can't do anything about it. Not without help from their leaders.

And while the first step those leaders need to take is to address any behavioral problems that might be preventing executive team members from working well with one another—that was the thrust of my book *The Five Dysfunctions of a Team*—even behaviorally cohesive teams can struggle with silos. (Which is particularly frustrating and tragic because it leads well-intentioned and otherwise functional team members to inappropriately question one another's trust and commitment to the team.)

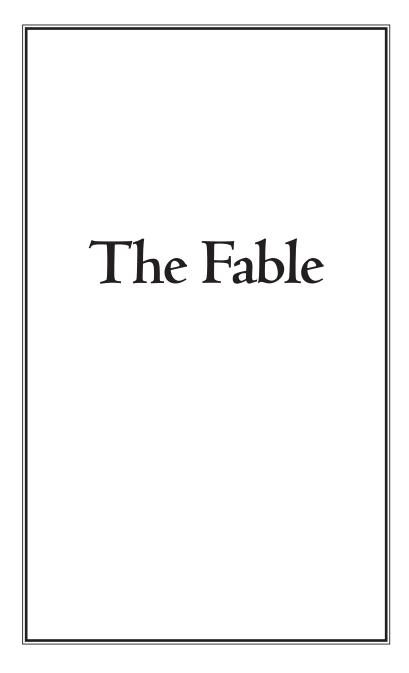
To tear down silos, leaders must go beyond behaviors and address the contextual issues at the heart of departmental separation and politics. The purpose of this book is to present a simple, powerful tool for addressing those issues and reducing the pain that silos cause. And that pain should not be underestimated.

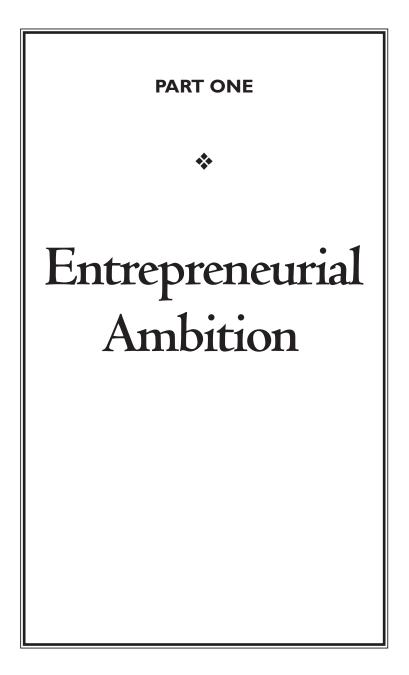
Silos—and the turf wars they enable—devastate organizations. They waste resources, kill productivity, and jeopardize the achievement of goals. But beyond all that, they exact a considerable human toll too. They cause frustration, stress, and disillusionment by forcing employees to fight bloody, unwinnable battles with people who should be their teammates. There is perhaps no greater cause of professional anxiety and exasperation—not to mention turnover—than employees having to fight with people in their own organization. Understandably and inevitably, this bleeds over into their personal lives, affecting family and friends in profound ways.

The good news is that this is all immensely avoidable. In fact, I have never used a tool with clients that has been so universally and successfully adopted.

Like my other books, *Silos, Politics, and Turf Wars* is written in the form of a realistic but fictional story. Unlike those books, however, it involves not one but a host of different companies struggling to eliminate infighting from their organizations and bring about a sense of alignment and sanity.

I sincerely hope that this book helps you do the same.





HONEYMOON

ive months. That's how long it took for Jude Cousins' entrepreneurial passion and excitement to fade into anxiety and panic. While it was true that he had never started a company before and didn't know exactly what to expect, five months just seemed like too short of a honeymoon to Jude.

To be fair, Cousins Consulting wasn't really a company. Just a consulting practice operating out of a spare bedroom in Jude's home. No employees. No politics. Just Jude, his passion, and three clients. Two of which, unfortunately, were already in jeopardy.

HATCH

or the seven years prior to starting his consulting firm, Jude had received nothing but encouragement and recognition in his career, which only served to magnify his frustration as an entrepreneur.

After a brief and unsatisfying postcollege stint in journalism, Jude took a job in the marketing department at Hatch Technology, a fast-growing company that developed financial software for consumers and small businesses. Beginning his career at Hatch as a copy editor, Jude gradually worked his way through every department in the marketing division, with detours into product management and operations.

As a result of his work ethic, humility, and general curiosity about whatever he was doing—not to mention the rapid growth of the company—promotions came frequently for Jude. At the age of twenty-eight, four years after joining Hatch, he was named director of corporate communication, reporting directly to the company's vice president of marketing.

Jude's career trajectory, though impressive on its own merit, was all the more amazing given his relative lack of passion for technology. Not particularly inspired by the charter of enticing people to buy software, he knew that the secret to his success had everything to do with his insatiable passion for learning. As Jude liked to tell his friends, he felt like he was being paid to go to business school.

And being just one level removed from the senior executive team meant Jude was constantly exposed to challenges related to every aspect of running a company, from strategy to structure to management. All of which fascinated him.

Still, he was not content to have his education limited to one company. So Jude began volunteering to sit on a variety of advisory boards for small but growing companies in the area, all of whom were happy to have someone of his talent providing advice, especially when that advice was free of charge.

Jude was eagerly soaking up everything he could—and forming strong opinions about how he would run a company, which he had come to believe was the ultimate goal of his professional life. Anyone who knew Jude assumed he would one day be a CEO.

SMOOTH SAILING

n a personal level, Jude's life certainly seemed to be heading in the right direction.

He and his wife of three years, Theresa, were hoping to start a family as soon as possible. They had recently bought their first home, a small but attractive rancher in Orinda, just over the hills from the San Francisco Bay. Though not wealthy, they were financially more secure than ever, and more important, had amassed a close-knit collection of friends in the area. They were involved in their local church, and were quick to help friends, neighbors, and family members who needed a hand.

From a day-to-day professional standpoint, Jude had everything he needed. Between his responsibilities at Hatch and the variety of companies he was being exposed to as an adviser, he had no complaints. His work was interesting enough, and his workload, though substantial, was manageable. Jude certainly had no intention of changing his career.

Until the merger.

BATCH

hough it had been announced to the press as a "merger of equals," anyone with a sense of the market knew that Hatch Technology was on the losing end of the acquisition by its slightly larger competitor, Bell Financial Systems. Carter Bell, the company's brash CEO, had a much higher profile in the industry and wasn't about to lose control of his corporation in a merger.

But because he didn't want to rock the new boat too soon after the deal was closed, he chose to build something of a Noah's Ark management team: two heads of sales, two heads of marketing, and so on. As a result, the seeds of discontent were planted within the new organization, which would cleverly be called "Batch Systems." Employees would later joke that the name combination should have been reversed and called—*Hell*.

Fortunately, market analysts seemed to like the merger more than Batch employees did. So Jude and his colleagues gladly watched the stock price rise with every painful passing week after the merger papers had been signed.

As for Jude, his duties and title were divvied up between him and his counterpart from Bell, so he took on a slightly diminished role as director of advertising. After overcoming his initial disappointment in the change in title and responsibility, Jude accepted his new situation. In fact, he began to like the arrangement, which gave him more time for his wife, his golf, and his advisory boards.

Maybe this is just what the doctor ordered, Jude tried to convince himself.

POLITICS

ith every week that passed, Jude found it harder and harder to get things done. Meetings were longer and more frequent than ever, and required increasingly more political dexterity. Back-channel deal making seemed to be taking over as the primary means of communication and decision making, with finger-pointing running a close second.

Jude was honest enough to admit that Hatch hadn't been a perfect company before the merger; without looking too hard, departmental skirmishes and divisional competition could certainly be found. But since the merger, infighting had risen to a new level entirely. Attention had shifted drastically inward, away from issues like customers and competitors and toward battles over budgets, titles, and responsibility for mistakes.

And while it could be expected that these feuds might develop between employees of the two former companies, new levels of intercompany conflict were rising in other areas too. There was the headquarters versus field office