

Are Your Organisation's Routines Generative or Geriatric?

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Organisational routines are the repositories of organisational knowledge. The outputs of the organisation are dependent upon routine approaches to critical operational tasks and functions. We need routines to do our jobs. Even those who don't particularly enjoy orderliness and defined sets of tasks and priorities have a set of routines they live by. The simple reality is that organisational competence and performance are based upon the ability to refine and effectively coordinate organisational routines.

However, there are times when routines cause friction. Generally this occurs when there is a lack of coordination, a breakdown in control, etc. Internally, a new staff member or board member may come in and not understand the routines, attempt to change the routine, and create discomfort. Additionally, an organisation may be very good at coordinating its routines, but the external environment may change. Imagine a mother who develops perfect routines in diaper changing, even to the point of being able to do it in her sleep, and takes such pride in the fact that she is constantly trying to put diapers on her teenagers! Routines must be appropriate and relevant to the current environment.

With this rather absurd illustration in mind it is easy to understand that:

- An organisation that is well-tailored to its environmental demands (environmental fit) may perform poorly if the organisation suffers from an inability to coordinate its routines effectively.
- Highly efficient organisations may fail in the absence of demand for the outputs that its routines are designed to create.

The importance of understanding these dynamics is critical as organisations age and plan for the future. Just like people, as organisations age more routines are accumulated. These routines become powerful coping mechanisms to help us get through our lives and to accomplish our tasks. But the rapid pace of change in today's environment forces organisations to be ever aware of antiquated routines.

Vital organisations must ensure that they do not lose their entrepreneurial instincts and get so locked into their routines that they cannot do what God has called them to accomplish.

There is debate among organisational theorists concerning how the issue of routines and environmental fit can affect an organisation's future and its ability to create innovation. One school of thought argues that as organisations age they predict their own mortality. They do this by creating barriers to effective action. These barriers may include taken-for-granted understandings, political coalitions, ineffective communication and limits on the distribution of knowledge. If organisations become "arthritic" or "hard of hearing" they will produce fewer innovative ideas.

The other school of thought believes that organisational competencies and innovation increase over time. Theoretically, the larger knowledge base provides the impetus for them to get better at their routines. This implication leads to the conclusion that the passage of time leads to an accumulation of foundational knowledge enabling organisational competence.

We can draw a conclusion from these two positions – Organisations that refuse to become arthritic, continue to listen, develop their hearing, and use their wisdom and experience to create innovation, relevant to the demands of their environment, will be the most generative or life-giving organisations, having the greatest impact on society and providing services most relevant to the purpose of the organisation.

The questions that leaders must be asking are: "Are we becoming geriatric or are we generative?" "Are we dying or are we still in the prime of life?" and more importantly, "Is there a way to reverse the organisational aging process and find the fountain of youth for our organisation?"

Signs of a geriatric organisation:

1. **Imprinting** – current organisational structures, programmes, and processes are based upon the early decisions of founders and prevailing practices at the time of founding.
2. **Inertia** – early decisions and practices persist in spite of irrelevance to today's demands.
3. **Drift of Organisation/ Environmental Fit** – Routines are so set that even as the environmental needs change, the organisation is unable to change with them.
4. **Limited change** - Organisational change efforts for new practices are limited to existing routines.
5. **Lack of forward thinking** - Individual decision makers are anchored in past experience as they evaluate alternative courses of action.

6. **Routines rule** - Structures and routines are institutionalised.
7. **Missing new opportunities** - Failure to perceive and pursue new market opportunities.

Fighting the aging process by constantly monitoring the changing environment and applying the wisdom that comes with age is the key to being a generative organisation.

Dealing with the dynamics of organisational performance can be significant challenge in today's changing environment. To discuss ways to achieve "peak performance" for your charity contact us at: info@mcconkey-johnston.co.uk