

The Just-in-Time Organization

If your association enjoys steady success but at the high price of last-minute, miraculous effort, you might need a do-it-now solution for your “just-in-time” organization.

By Gary Neilson and Bruce Pasternack

Why is it that some organizations hit the ground running, while others stumble over their own shoelaces? The answer lies in their organizational DNA, the unique combination of four factors—decision rights, information, motivators, and structure—that together define the organization and predict its ability to deliver results.

Do you and your colleagues spend a lot of time putting out fires and pulling all-nighters? Do you think you extract victory from the jaws of defeat on a regular basis? Chances are you work for a just-in-time organization, one of the seven types of organizational DNA (see chart on page 57, “Types of Organizational DNA”) that we have diagnosed based on our years of consulting for nonprofit organizations, corporations, and government entities.

The just-in-time organization is fundamentally healthy, because it is able to implement important strategic and operational decisions quickly. This was exactly the case with one of the world’s best-known nonprofit organizations, Special Olympics, Washington, DC, the issues of which are similar to many of those of other charities and associations. Here, we define a just-in-time organization and then explore how leaders of Special Olympics began transforming the nonprofit organization’s typical miracles into replicable and resilient successes.

Anatomy of a Just-in-Time Organization

Although not always proactive in preparing for change, the just-in-time organization has demonstrated an ability to turn on a dime when necessary, without losing sight of the big picture.

Just-in-time organizations attract talented and motivated people. They are often fun, fast-paced environments that provide excellent learning opportunities. An adventurous attitude often infuses the office and motivates staff and volunteers to become genuinely creative, frequently generating real breakthroughs. But in the absence of consistent, disciplined structures and processes, the organization can neither fully capitalize on these opportunities nor replicate them. They frequently are one-hit wonders rather than a consistent source of competitive advantage. The following are common patterns of behavior in just-in-time organizations.

Culture of controlled chaos. Just-in-time organizations often are fueled by a strong sense of mission. They want to chart new territory, inspire change, and make a big difference. Not surprisingly, the people they attract are similarly minded. They seek the chance to get involved early on in a venture and to build something that has purpose and meaning. The flipside of this almost evangelical zeal, however, is an often-untamed workplace culture characterized by unclear and uncoordinated decision rights, seat-of-the-pants market moves, and a general lack of discipline and coherence.

Mavericks meet managers. Just-in-time organizations break down into two distinct groups: the adventure-seeking mavericks and the more cautious professional managers. Mavericks regard the unstructured environment and strained resources of the organization with a certain fondness. They like the adrenaline rush. Not surprisingly, these mavericks cast the culture of the place, providing that sense of breathless anticipation and energy.

Managers, on the other hand, keep the joint running. What they lack in

pure passion, they make up for in discipline and managerial skills. They are the more stable, reliable sorts, crossing the t's and dotting the i's of their maverick colleagues. The just-in-time organization's big wins are attributable to its mavericks, but it owes its continued good health to its managers.

Reinvented wheels. While the organization may surge ahead of the competition because of the entrepreneurial zeal of its employees, it struggles when trying to duplicate its successes efficiently across the growing enterprise. It doesn't effectively institutionalize best practices or codify knowledge, so employees waste time reinventing wheels. Scalability—the ability to grow operations quickly without sacrificing quality—is a big concern, not only within the organization but among its customers, who need assurance that the organization can adapt to changing requirements and deliver consistently.

Firefighting burnout. A great sense of urgency exists in the just-in-time organization. Everything is “life or death,” and the immediate emergency inevitably takes higher priority over so-called road building for the future. Every day brings fresh fires that need to be put out, and that's where everyone directs their attention, even though yesterday's still-smoldering ashes are not yet extinguished. Although just-in-time employees take a strange pride in their heroics, they are not built of steel and eventually burn out from the physical and emotional demands of the workplace.

Special Olympics: The Business of Philanthropy

When Tim Shriver became CEO of Special Olympics in 1996, the movement was sprinting just to stay in place. While its people were still inspired by an almost missionary zeal for their work, the movement was losing momentum. What Shriver's mother, Eunice Kennedy Shriver, had started in Chicago's Soldier Field with a thousand intellectually disabled athletes had, almost 30 years later, become a worldwide movement of one million athletes in almost 150 countries.

The organization was stretched; resources were thin; and both staff and volunteers often felt overwhelmed. The gaps in its organizational DNA were apparent:

- **Decision rights.** People often did not understand what they were accountable for and how they were being measured.
- **Information.** The lack of information technology (IT) infrastructure or formal knowledge-transfer capabilities made consistent communication exceedingly difficult within the organization, leading to increasingly strained relationships between country programs, regional offices, and the Washington, DC, headquarters.
- **Motivators.** Given its nonprofit status, the organization struggled to coordinate and motivate the efforts of a relatively small paid staff and legions of volunteers in an environment of limited funds.
- **Structure.** The headquarters was disconnected from programs in the field and viewed, by many in the field, as too large, too U.S.-focused, and too expensive.

Clearly, Special Olympics had the characteristics of every just-in-time organization. By all external accounts, it served its existing constituents well and had a talented, dedicated staff. However, all too often, it scrambled to essentially reinvent a wheel that had already been crafted several times in various locations around the world.

“Crises tended to overwhelm the day-to-day and strategic elements of our efforts,” notes one insider.

Shriver knew that the mission and values of Special Olympics were motivating and well understood by its staff, but the organization was frustrated in realizing its ambitions by its lack of infrastructure and alignment. The major challenge slowly became clear: Special Olympics needed to run more effectively and efficiently as a “business,” without losing the strength and focus of its mission.

Shriver draws the distinction between the business and the philanthropic communities with a quote from Warren Buf-

TYPES OF ORGANIZATIONAL DNA

Unhealthy

- **Passive-aggressive:** “Everyone agrees, but nothing changes.”
- **Fits-and-starts:** “Let 1,000 flowers bloom.”
- **Outgrown:** “The good old days meet a brave new world.”
- **Overmanaged:** “We’re from corporate, and we’re here to help.”

Healthy

- **Just-in-time:** “Succeeding by the skin of our teeth.”
- **Military precision:** “Flying in formation.”
- **Resilient:** “As good as it gets.”

What is your organization’s type? Find out at www.orgdna.com/asae

fet: “I’m more interested in the artist than the painting.” Says Shriver, “The perception is that not-for-profits focus all their time on the project, on the painting: How many people are we feeding at the soup kitchen? How many beds are there at the women’s shelter? How much closer are we to the cure for cancer?”

“They don’t spend any time on the artist of this work ... on the organization itself and its health. They don’t spend time on board development or training capabilities or planning. They just focus all their energy on getting those five more services at the shelter ... which is admirable but shortsighted.

“I knew in my gut that our situation called for strong medicine,” continues Shriver. “We needed to clarify who does what under what circumstances and in what location, and how to break down barriers ... and oh, by the way, get better at doing plans.”

Just-in-Time: The Treatments

To avoid running itself ragged and lapsing into a state of ill health, the just-in-time organization should focus on preventive treatments rather than drastic remedies. While it will always rely on the skill and ingenuity of its talented employees, it needs to establish clear decision rights and processes that guide the actions of these stars, while cultivating more of them.

Institutionalize accountability and process discipline. Ad hoc decision making doesn’t deliver consistent results; the organization needs to introduce more structure and discipline to sustain its success. Management needs to make crystal clear who does what and how. That means clarifying decision rights and supporting decision makers with the right systems and information. Not only should business processes be well defined, but the organization should ensure that they are adhered to in a disciplined manner. The just-in-time organization has proven that it can deliver. It now needs to prove it can deliver consistently and efficiently.

Recognizing that the worldwide movement could not be led from the top

by sheer force of charisma anymore, Tim Shriver and the Special Olympics board established a new organization model that decentralized operations while centralizing accountability and control. The model created seven regions, and virtually all daily decision making was delegated to them and local program offices.

Meanwhile, headquarters shifted its focus to more strategic concerns: mission and brand management, metrics and accountability, fundraising, and overall capability building and knowledge transfer. In short, the head office resolved to lead more and do less.

Regional programs now enlist athletes, build year-round programs, and raise funds. Program development, on the other hand, is centralized at headquarters, along with a separate, shared administrative services unit to leverage the movement’s scale and optimize efficiencies. As a percentage of total staff, the DC head office is now smaller, while the regions—closer to coaches, community organizers, and athletes worldwide—have grown more robust.

Don’t take yes for an answer; reinforce individual promises. Based on their early success in delivering on unrealistic expectations, just-in-time organizations can fall into the trap of overpromising. “Yes” comes too easily to people’s lips when the responsible answer might well be, “I don’t know; I’ll get back to you.” In making commitments, the organization needs to consider what it can consistently and repeatedly deliver as an institution, not as a tired crew of miracle workers. The enterprise needs to set priorities for the week, month, and year and run the business accordingly. People at all levels need to clearly understand what is expected of them; in fact, those expectations

should be documented for future reference. Incentives should clearly reflect performance against specified expectations, not the number of fires fought.

Tap the organization’s brainpower.

In the spirit of institutionalizing capabilities and commitments, the just-in-time organization needs to organize its information. Mavericks can reinvent the wheel only so many times before their frustration peaks. All-nighters can be invigorating when you’re 23, but not when you’re 35 or 50 and when the effort is unnecessary. Once a valuable model or customer insight or best practice is developed, make it a public good—free and available to all within the organization. The time spent to arm employees with information will be more than recouped in the time they save, which then could be spent serving customers better.

“We had in the head office of Special Olympics two information-related roles that we theoretically understood were distinct but did not separate in practice,” says Tim Shriver. “One was the gathering of information ... the creation of content experts and expertise ... the pooling of best practices, what I’d call the ‘knowledge center.’

“The second information role was that of knowledge transfer—more formal training and education—so we not only had to understand and manage the knowledge; we had to train other people in how to use it. And we were trying to do these two different things with the same people in the same functional departments.”

Special Olympics addressed that information challenge by distinguishing between curriculum development and training, and focusing the former under the head office, while delegating the lat-

ter to the regions. The organization built up its functional expertise in Washington, DC, and these “experts” then developed customized training modules (e.g., program planning, fundraising, physical education) for programs in the field.

To assess progress in achieving these strategic objectives, the organization developed a sophisticated performance measurement system around metrics (e.g., athlete coverage, fundraising, knowledge sharing) focused on three key criteria—growth, quality, and innovation. Staff and program evaluations now hinge on performance against these met-

board has put in place governance measures to sustain it. The board must include two of Eunice Kennedy Shriver’s descendants, must agree unanimously to any changes in the movement’s mission, and must explicitly review mission compliance at least every two years.

“In the reorganization, we set up high expectations for the kinds of managers we wanted on board,” says Shriver. “They had to be good at managing expectations, good at goal setting, good at aligning personal goals with the organization’s goals. They had to manage and communicate knowledge well

tors, and structure are more aligned, and these building blocks are working in concert to further the organization’s mission and objectives.

“There is a lot of good news,” says Shriver. “We have World Games that are taking place over eight years in three countries outside the United States. That’s a direct outcome of this reorganization. Moreover, we’ve truly globalized the movement. Very few people in Lithuania would call Special Olympics a U.S. export; it’s a European movement to the Lithuanians. It’s a Middle Eastern movement to the Egyptians. That’s a huge and positive change.

“We have a team now,” he concludes. “We didn’t have a team before. We have goals now. We didn’t have goals before. We have buy-in now. We didn’t have buy-in before. As a result, we’re gathering momentum worldwide. We’ve added almost a million athletes, and we have local management teams paying consistent, strong attention to the organizational development of each program. And headquarters now has good tools to assess these programs. We’ve focused on a lot of things and gotten a lot of things right, but our journey continues.” **an**

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rics. Programs are rated in each of these functional areas on a scale of one to four, from “emerging” to “very mature.” More recently, it has begun refining its performance management system to create a balanced scorecard that captures—at a glance—the key metrics of success.

Don’t throw out the baby with the bathwater. In introducing more professional processes and structures, just-in-time organizations also need to preserve the spark of innovation and initiative that fueled their previous success. While instituting a more reliable and stable business model, they need to continue to incubate creativity and cultivate entrepreneurialism. It’s a delicate balance, and the potential for culture clash is palpable as you try to blend an appetite for adventure with early-warning systems. However, organizations have successfully made the transition. The proper mix of motivators can be vital.

Clearly, in a mission-focused organization such as Special Olympics, preserving the charisma and energy of its founder is vital. In adding structure and process discipline to the organization, Shriver was careful not to subvert his mother’s original vision; instead, the

and clearly define roles and responsibilities.

“But you have to keep in mind that we, for the most part, hire people who come out of the not-for-profit sector, for whom those skills are secondary. This is not something they learned in their 20s and 30s. And so most of our staff are relearning, and we’re helping them with training.”

Special Olympics has developed a new staff professional-development strategy and has introduced a rigorous performance-measurement system to reinforce accountability and control at all levels. Headquarters provides training on how to start a local program that covers key organizational issues (e.g., planning events) and outlines needed capabilities. It also is developing turnkey modules on fundraising, sports, people management, and general skills.

Staying on the Podium

The efforts of both Special Olympics’ headquarters staff and regional managers around the world have placed the movement on the road to the healthiest organizational DNA: resilience. Its decision rights, information, motiva-