

# Contents

<b>Preface</b>	<b>xiii</b>
<b>Acknowledgments</b>	<b>xv</b>
<b>INTRODUCTION</b>	
<b>Mastering the Complexities of a New Age</b>	<b>1</b>
<b>CHAPTER 1</b>	
<b>The Round World, the Square Pegs: Redesigning Organizations to Manage the Risks of a Different World</b>	<b>5</b>
Righting the Ship: Managing the Complexities of a New Age	5
The Untold Story of Wachovia's Demise: The Rise and Fall of an Industry Giant	7
A Symptom of a Much Larger Challenge	12
The Burning Platform: Why the Need for Change	14
Leveraging the Power of People	15
A World of Patterns: Does Nature Hold the Answers?	16
References	17
<b>CHAPTER 2</b>	
<b>The Three Elements: Creating, Facilitating, and Supporting Your Competitive Advantage</b>	<b>19</b>
A Framework Taken from Nature	19
The Human Body as an Example	22
Ecosystems	25
The Three Elements and Our Marketplace	26
The Three Elements and the Auto Industry	31
The Three Elements and Organizations	32
The Creative Element in Organizations	34
Information Technology as an Example	36
Everything Old Is New Again	36
Summary	38

Questions	38
Note	39
References	39

### CHAPTER 3

<b>The Three Forces: Mastering Strategic Risk with Repetition, Balance, and Movement</b>	<b>41</b>
Anticipating Change: Toyota	41
Three Forces that Dictate Performance in Systems	43
Movement and Change in Nature	44
Movement, Balance, and Repetition in Our Marketplace	48
Change, Balance, and Repetition in Organizations	51
The Three Elements and Forces and Our System of Government	54
The Federal Government Supports, Facilitates, and Creates: A Fractal View	57
The Federal Government and Oversight	58
A Holistic Approach	59
Summary	60
Questions	60
References	61

### CHAPTER 4

<b>Transforming the Corporate Agenda: Applying the New Learning to Master Strategic Risk</b>	<b>63</b>
Aligning the Three Elements and Forces for Impactful Results	63
The Three Elements as Key Drivers of Organizational Performance	65
Creativity and Innovation through the Lens of Industry Leaders	67
Identifying Additional Centers of Creativity and Growth in the Most Unlikely of Places	71
Growth through Facilitative Functions and Capabilities	74
Growth through Supportive Functions and Capabilities	76
Repetition and Operational Excellence	78
Wachovia and Merger Integration	78
Managing Movement and Change	81
The Value of a Transformation and Change COE	81
The Importance of Measuring Key Controls and Activities	83

Assessing Key Drivers through the Universal Guide	85
Summary	88
Questions	89
References	89

**CHAPTER 5**

<b>Risky Business: Why the Environment Should Matter to You</b>	<b>91</b>
Our Self-Centered Interests	91
The Truth about Systems	94
Our Commercial Ecosystem	94
Driving Growth and Shareholder Value through Sustainability	98
Demystifying the Myth . . . What Really Is a Corporation?	100
A Lesson on the Environment and Sustainability	101
Other Factors Driving Commerce	104
Improving Our Interaction with the Planet	105
Making the Case for the Environment	110
The Corporation and the Community	110
The Realities of Life Downstream	111
In the End, It's About the Individual	112
Summary	113
Questions	114
References	114

**CHAPTER 6**

<b>Governance, the Cornerstone of Risk: The True Role of Accountability in Organizational Systems</b>	<b>115</b>
Governance in Natural Systems: The Human Brain as an Example	115
WorldCom and the Bernie Ebbers Story	117
Strategy and Governance	120
Complacency and Governance	123
The Role of Accountability in Systems	123
Accountability at Adulant Technologies	124
The Importance of Roles and Responsibilities	125
A Crisis of Corporate Culture: The Story of News Corp.	127
The Independent Board of Directors	130
Summary	132
Questions	133
Notes	133

**CHAPTER 7**

<b>The Game Changer: Stewardship—Taming the Land Grabbers, Passive Aggressors, and the Mighty Ogre</b>	<b>135</b>
The Coup d'État	135
It's Time for Change	137
A Profile in Leadership	144
Summary	151
Questions	152
References	152

**CHAPTER 8**

<b>The Risks of Human Capital: Unleashing the Conceivers, Deal Makers, and Sustainers</b>	<b>153</b>
A New Human Resources Model	153
The Internet Example	164
A New Model for Evaluating Teams	165
The Diversity Trap	169
The Three Forces and the New HR Model	170
Summary	173
Questions	174

**CHAPTER 9**

<b>Waking Sleeping Giants: The Importance of Empowering Employees</b>	<b>175</b>
The Empowered Employee: The Key to	
Driving Peak Performance	175
Citrix Systems Inc.: Cultivating a Culture of Empowerment	178
Adapting to a Mobile Workforce	180
Employee Engagement and Its Linkage to Empowerment	181
A Professional Development Journey	183
Reinvention and the Individual	185
The Learning Organization's Connection to	
Movement and Change	186
The Importance of Infusing New Blood into Your Organization	189
Employees Driving Shareholder Value	190
Tapping Employee Resources to Enhance Value	191
Do They Have a Dog in the Fight? Engagement through	
Creating a Compelling Vision	192
Seizing the Opportunity at Hand: A Message to Employees	196
Summary	198
Questions	199
References	199

**CHAPTER 10****The Shining Moment: Unlocking the Potential and Promise of the  
Twenty-First Century**

	<b>201</b>
Henry Ford: Riding the Wave of Converging Forces	201
Our World Then and Our World Now	203
The Call for Transformation	204
Mastering Change Matters More Now than Ever Before	205
Enhanced Capabilities Driving Change	207
Human Beings: Our Greatest Natural Resource	208
Man's Coming of Age	210
What Will Be Our Lasting Legacy?	213
The Way of the World: Revisiting the Core Elements and Forces	215
The Emerging Steward: Why Organizations Must Lead from the Edge	217
The Masters of Our Fate	218
Summary	220
References	221

**About the Author** **223****About the Companion Web Site** **225****Index** **227**

