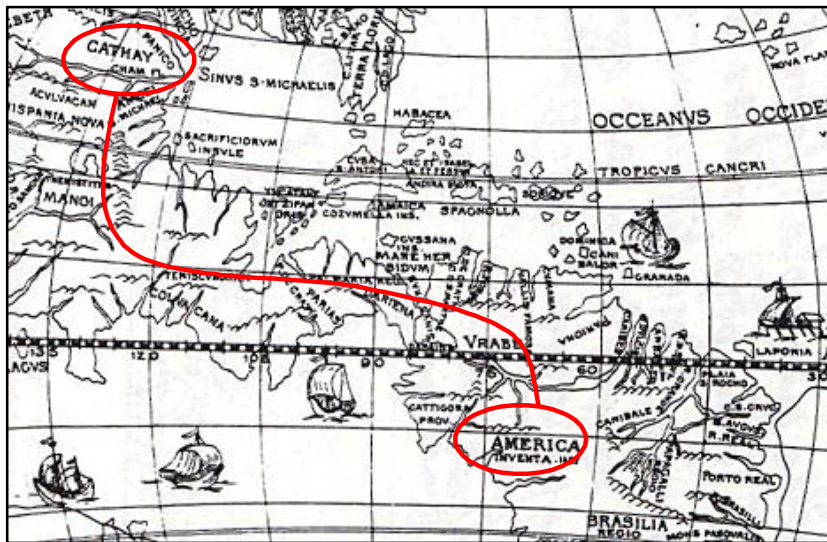


Mapping: A Brief Introduction



When European explorers first discovered America, cartographers reacted to their discovery by depicting China (Cathay) as part of the American land mass. The map makers depicted America as ‘a better way to China’ because that is what the explorers were looking for: a better way to China.

If you haven’t got the right map, your chances of reaching your destination are slim. Most organisations today think they have a full, clear and accurate picture of the territory before them. In reality, their maps are about as accurate as the one depicted here. Frighteningly partial, hazy and inaccurate.

Here are some of the main myopias we currently suffer from.

Network myopia. Most transactions are bilateral affairs. There is an exchange of money for goods or services between Party A and Party B. In a free market, the very fact that these parties have completed a transaction is proof of mutual benefit: otherwise, why would they do it? However, creating win-win networks is a very different kettle of fish, because it is very easy for a ‘deal’ between Parties A and B to be made at the expense of Party C. How about increasing profits at the expense of workers’ salaries or jobs? Or increasing profits by putting up prices for customers? Or by dumping pollution on the environment?

Current measures of organisational success - and therefore, current management priorities - simply have no handle on this issue of *network*

integrity. Are today's results being delivered at the expense of fomenting and deepening conflict within the network, or by getting the network *as a whole* working better? Designing sustainable, wealth creating networks where Parties A and B benefit by helping Party C benefit is completely different to trying to 'manage' conflicts between them, or simply pretending these conflicts don't exist. Yet at present we have no tool or methodology for identifying network integrity, or for identifying ways to improve it.

Level myopia. One inevitable attribute of anything but the simplest system is that it takes the form of a nested hierarchy. Molecules help form proteins and other constituent elements of cells, which form organs, which form bodies, which form societies and so on. Each of these 'levels' works according to its own 'rules', but it does so within the context of the other levels both 'above' and 'below', which it absolutely depends on. Illness happens when one level's activities get out of alignment with the rest. Cancer, for example, happens when a cell starts growing 'for its own sake' rather than defining success in terms of its contribution to the wellbeing or effective functioning of the other levels.

Like bodies, organisations also work at many different levels simultaneously. They are composed of individuals as workers, who form teams and departments, who form business units or companies, which survive as members of supply chains, which are parts of societies and communities. For wealth to be created sustainably, each 'level' needs to contribute to the wellbeing of the other levels upon which it depends. Yet today, we organise everything around and focus on just one level: the 'reporting unit'; the corporation. We measure the corporation's 'performance' and 'success' to obsessive detail. But we don't ask whether this performance was earned at the expense of other levels (by dumping costs or problems on to them, for example), or whether it was earned by helping these other levels prosper. As with network myopia, we currently have no tool or methodology for identifying *level alignment*, and no tools or methodology for identifying, consistently and on an on-going basis, what needs to be done to improve this level alignment.

Time frame myopia. We all know about short-termism. Gaining success today at the cost of failure tomorrow is short-sighted. Short-termism is generated by a focus on measuring 'success' according to artificially imposed time frames such as quarterly sales targets or annual results. A lot of people rail and wail about the damage caused by short-termism. Quite rightly. But they never offer

any alternative apart from some vague exhortation to ‘take a long term view’ or adopt some form of ‘enlightened self interest’.

The problem with these exhortations is that they simply nudge the problem along a bit without solving it. What is the right time period to judge success, then? Is it five years? Ten years? Or perhaps two years four months and twenty three days? In fact, the only way forward is to shift our perspective from ‘results’ to ‘momentum’. Is our organisation/network’s wealth creating momentum improving on a sustainable basis or declining? In other words, are we moving in the right *direction*? Or we are producing today’s results at the expense moving in the wrong direction?

In the long term, ‘results’ are a by-product of momentum, not the other way round. Yet, at present we have no tool or methodology for assessing momentum, and no tools or methodology for identifying what needs to be done to improve this momentum.

Transactional myopia. If you close a sale it’s easy to measure its degree of success or failure: how much money did you make? Tangible stuff like cash flows are easy to measure, but tell you only half the story. Almost certainly the lesser half at that because, next to the tangible stuff lies all the intangible stuff. We can sum this intangible stuff up as ‘trust flows’ (as distinct from cash flows). If trust flows increase, the chances of the two sides wanting to continue the relationship and invest more in it increase. If trust is eroded, the chances of investing in the relationship (including future transactions) decline.

But ‘trust flows’ are not to be measured simply by their likely future impact on future cash flows. That way, we re-enter the short-termism trap, simply nudging the problem on to some future time frame. No. Trust flows are important in their own right because they determine how much intangible investment people are willing to make in the relationship in the here and now: ideas, knowledge, information, enthusiasm, support, interest and attention, willingness to forgive mistakes, make an extra effort, and so on. While cash flows can be stipulated by contracts, trust flows are what happens on top of, and in addition to, whatever may be stipulated in the contract.

When we consider what needs to be done to overcome network, level and time frame myopia it soon becomes obvious that building trust flows - as well as cash flows - is key. Trust flows and improving, sustainable momentum march hand in hand. Yet, at present we have no tool or methodology for assessing the

richness/paucity of trust flows, and no tools or methodology for identifying, consistently, on an on-going basis, what needs to be done to improve these trust flows.

...

I could go on, but by now you've probably got the picture. When it comes to all the important things that are pivotal to an organisation's/wealth creating system's sustained success ... we haven't a clue. We've still made our maps as though all these things are just a better way to China.

In reality however, our current measures and definitions of success - such as amounts of money made in specific artificial time periods - give us precisely zero insight these pivotal issues. We could be making pot loads of money precisely because we have done all the things necessary to build wealth creating momentum. Or because we are sucking the system dry. We don't know. (And perhaps some of us don't care).

Mapping is an astonishingly simple answer to all these problems. I've been working on the core concepts with Chris Macrae and William Gordon for the last five years, and we hope to publish a book on it soon.

Astonishingly simple? Yes. Absolutely. As a set of principles anyway. Here they are. Just four of them.

Mapping: the four key steps

1. Identify our 'impacts'

e.g. what impact are we having, both positive and negative, on our network partners/levels in relation to what these network partners/levels want to achieve (i.e. measure your result from their perspective).

2. Identify trust destroyers and trust builders; conflicts and win-wins

Which of our impacts are helping to build system momentum, and which are undermining this momentum?

3. Resolve conflicts and deepen win-wins ...

... remembering that this is about better *system design* (network integrity and level alignment) not blinkered transactional fixes that mend one relationship at the cost of destroying another

4. Keep iterating

Because, unlike geographical maps, the world of wealth creating relationships is forever changing. The value of Mapping is in the process, not the 'output' of a 'perfect' map.

Mapping has many implications and connotations which are too numerous to explore here. But here are some.

- It can work at any level of detail: from the workings of a departmental team to a complete supply chain. So anybody can do it.
- It's a directional thing: it's not about identifying and reaching 'targets' - it's about making sure we are still moving in the right direction.
- It's more qualitative than quantitative: the details of what is building or destroying trust in any particular relationship will always be particular to that relationship. These details matter.
- It validates the subjective - what people feel - because trust is about what people feel. It builds this validation of the subjective into a routine assessment of the health of the organisation/system.
- Resolving the conflicts it identifies depends more on judgement than pre-set rules or processes. It identifies priorities: where are the biggest conflicts? Where are the biggest opportunities?
- Fundamentally, it is about building reciprocal (i.e. mutually beneficial) rather than instrumental relationships. Most modern corporations are deeply instrumental in their attitudes to other things and other people. They seek to use other parties as a means to their own ends. They measure success solely from their own point of view - how much did we benefit. Instrumentalism is usually its own worst enemy. It's a very good way to make enemies. It's not such a good way of making friends. Mapping is about how to make friends.
- Mapping is not only a tool for improved *performance*. It's actually about a change of *purpose* too.
- As a process, it is part of the solution, because it engages other parties around their own agendas.

Mapping is not a panacea. In fact it's only a start because, having identified the key pinch points, they still have to be tackled. As ever, the real genius is in the doing, not the analysing. If you are setting out to sea, a map helps point you in the right direction. But you still need to be very skilled at sailing,

Also it is, at one and the same time, a practical *process* and a debate about *purpose*. It has to be both - because the one always implies the other. Mapping assumes that the real, underlying purpose of economic activity is to improve human welfare, not just make more money. Organisations don't only make things and money. In a very real sense, they 'make' people's lives, and the make societies. Mapping helps put this all into the right perspective.