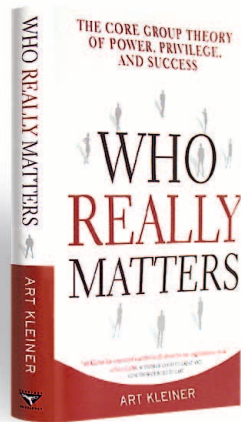


SOUNDVIEW Executive Book Summaries®

FILE: STRATEGIC MANAGEMENT



By Art Kleiner

The Core Group Theory of Power, Privilege and Success

WHO REALLY MATTERS

THE SUMMARY IN BRIEF

Recent events in Corporate America have taught us that when an organization claims to make decisions for its customers or shareholders, it is not necessarily speaking the truth. In reality, there is another group within each company whose needs and desires are the real drivers of most decisions — a Core Group of people “who really matter.”

While Enron, Tyco and others have given the concept of the Core Group a bad name, bestselling author Art Kleiner explains in Who Really Matters that companies need Core Groups to supply the energy and direction they require to be successful. By observing the Core Group’s members’ day-to-day activities, communications and management decisions, Kleiner argues that the astute employee can recognize decisions before they are made, and can be ready to react to change. Eventually, if that person is able to navigate to a position of influence, he or she can join the Core Group.

CONTENTS

The Core Group Comes First

Page 2

The Effect of the Core Group On Decision-Making

Pages 2, 3

Common Core Groups And Their Membership

Pages 3, 4

Power and Legitimacy

Page 5

Know Your Boundaries

Pages 5, 6

Leading the Core Group

Pages 6, 7

Building a Portfolio of Equity

Pages 7, 8

The Shadow Core Group

Page 8

What You’ll Learn In This Summary

- ✓ **The Core Group Comes First.** In most companies, customers are further down the list of priorities than you might think.
- ✓ **The Core Group Influences Decisions.** Core Groups help people focus their decision-making process on the needs and requirements of a specific few.
- ✓ **How to Spot Common Core Groups.** Find out how you can determine which kind of Core Group is the true driving force in your organization.
- ✓ **How to Determine Power and Legitimacy.** What is the difference between “positional” power and legitimate power? The answer may help shed some light on your company’s internal politics.
- ✓ **Knowing Your Boundaries.** If you are not in the Core Group, you are a transactional employee, or an employee of mutual consent, and your entire relationship with your organization is based around this positional issue.
- ✓ **How to Manage the Core Group.** Find out why senior executives cannot make decisions without considering the goals of the Core Group.

WHO REALLY MATTERS

by Art Kleiner

— THE COMPLETE SUMMARY

The Core Group Comes First

One of the great lies of corporate culture is, “The customer comes first.” In every company, agency, institution and enterprise, there are people who *really* come first, a Core Group of people who *really* matter. The makeup of the group differs from one company to the next, but each activity the organization undertakes — from creating wealth to meeting customer needs to training its people — is done with the goal of fulfilling the perceived needs and priorities of this group.

Core Group dynamics explain why some companies act frugally for years to turn a profit, then squander it all on ill-advised mergers, disproportionate pay for senior executives, or impropriety in their business dealings. It is because of Core Group dynamics that businesses evolve into corporations with one primary purpose — to extract wealth from all constituents (including employees, customers and neighbors as well) and give it to senior executives.

We Need Core Groups

Yet, a Core Group is not inherently bad or dysfunc-

tional; indeed, it serves as an organization’s source of energy, drive and direction. Without an energetic and effective Core Group, all efforts to spark creativity and enthusiasm sputter out. Startups need entrepreneurial Core Groups that put themselves at risk for the company’s future. Large, well-run companies need a Core Group of senior leaders who can permanently merge their identities with that of the organization. Even the most hierarchically strict organizations — military units, for example — depend on their Core Groups to maintain, among other things, the level of mutual respect that soldiers need to operate above and beyond the limits of their orders.

There is always an implicit, almost unconscious bargain of mutual commitment in organizations — the people of the organization agree to make decisions on behalf of their Core Group, and the Core Group members agree to dedicate themselves as leaders to the organization’s ultimate best interests. The organization goes wherever its people perceive that the Core Group needs and wants it to go; if you want to know what a company stands for, explore the characteristics and principles of its Core Group. ■

‘The Customer Comes Eighth’

Back in the early 1980s, Exxon Oil Co. held an employee conference to announce its new “core values.” Number one on the list was the simple statement, “The Customer Comes First.”

That evening, division executives discussed the values statement over dinner. One brash young rising star, a fellow named Monty, proposed a toast. “I just want you to know,” he began, “that the customer does not come first.” Monty pointed at the president of the division. “*He* comes first.” He named the European president. “*He* comes second.” He named the North American president. “*He* comes third.” Monty rattled off four more senior executives of the division, all of whom were in the room. “The customer,” he concluded, “comes eighth.”

A stunned silence overtook the room before one of the executives smiled, and the gathered group burst into hysterical laughter.

It was the first truth spoken all day.

The Effect of the Core Group On Decision-Making

The basic building block of organizational action is not the job, the team, the project or even the dollar — it’s the decision. Organizations are essentially the sum

(continued on page 3)

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The Effect of the Core Group On Decision-Making

(continued from page 2)

of all the decisions made in them over time. Some decisions, made at the top of the hierarchy, have immense pull on the direction of the whole system; the decision to close a plant, for example, affects many other decisions at other levels. But even the decision to change an order of paper clips from a chain store to a local distributor may help chart the course of the organization's future in some small but significant way. And there are many, many decisions like that made every day, by many people, interdependent of one another, yet cumulatively affecting the direction of the company in a significant manner.

Hence, the importance of Core Groups. Every critical decision in an organization is made amid a maelstrom of conflicting priorities, constraints, competitors and

The 'Hive Mind' Dictates Direction

The term "hive mind" was coined by writer Kevin Kelly, who associates it with a form of mid-1980s computer game called Cinematrix, which gives an entire audience shared control of a cursor on a large screen. Each audience member is given a joystick, and an on-screen "paddle" moves according to the aggregate pull of everyone connected to those joysticks. If you moved your joystick, you would see your team's paddle move accordingly, but only if enough people moved it in the same direction along with you. If people moved the paddle in different directions, their efforts canceled each other out.

Eventually, in the course of a game, a kind of two-way feedback manifested itself. The crowd didn't just move the paddle; the paddle also moved the crowd. Individuals found themselves becoming attuned to the paddle's direction, and they acted accordingly. If they felt contrary, they could move their joystick against the crowd's general direction and be ignored; they could anticipate where the paddle needed to be and be the first to move it in that direction, causing the hive mind to take shape behind their own mind.

Organizational decision-making is like that game, in that thousands of decisions are made by many, many people each day, for a variety of motives. All these decisions add up, without any coordination, to an overall purpose — a collective imperative for the organization's every move. When one becomes attuned to those moves, one can guess with reasonable certainty in which direction the hive mind is traveling.

constituents. It must be shrunk down to a manageable size in our minds, or we couldn't function.

When faced with a complex decision, you might ask yourself, "How comfortable would so-and-so be with this decision?" There is probably a range of "so-and-sos" — your boss, executive team, unions, customers and so forth. Even if you don't go through such a litany when you make a decision, your colleagues and fellow employees do, and that's what sets the direction of the organization. The influence of these key people trumps all other concerns, simply due to the cumulative effect of the decisions made throughout the organization.

Imagine that you could make a list of all the so-and-sos in everyone's mind, in aggregate — all the people who influence all the decisions made through the course of a year. Some names would stand out as significant, but only to certain members of the organization. Other names would stand out as important to the whole organization. There would also be some classes of people ("stockholders" or "key customers," for example) that take on significance for the entire organization. Each of these individuals or groups represents not only itself, but an image of the direction of the organization — a view of where it may go. These are the members of the Core Group. ■

Common Core Groups And Their Membership

The size of the Core Group can be large or small, depending on the organization. For example, quite a few e-business companies in the 1990s perished because they tried to use Core Group status (in the form of stock options) to attract employees. They distributed so many stock options and other perquisites that they created an enormous de facto Core Group that was unsustainable.

There are, however, a number of different kinds of Core Groups, in companies both large and small, public and private. Among them are the following:

- **The Deceptively Subservient Bureaucracy.** A long-standing Core Group remains in place forever while putative bosses come and go. The goal of the enterprise is to protect the position and status of its established bureaucracy, regardless of how bloated it might be.

- **The Organization That Is Almost Too Nice for a Core Group.** Some organizations are just so idealistic that no one wants to overtly admit he or she has any power or influence over anyone else. The net result of this situation is that everyone senses (however unspoken) that someone else has control over the situation, and resentment builds up under the surface. Sometimes, the resulting Core Group can explicitly be established;

(continued on page 4)

Common Core Groups and Their Membership

(continued from page 3)

otherwise, one or two people will tend to influence decision-making through manipulation, while maintaining the fiction that everyone is equal.

● **The Indigestible Acquisition.** AOL buys Time-Warner; AT&T buys NCR; anyone buys anyone, and there turns out to be significant groups of old-heritage people who simply cannot be brought into the new company. The acquired Core Group remains in place, refusing to be dissolved, and still influencing the people in the acquired part of the business.

● **The Hidden Cabal.** Every large organization has an administrative assistant or secretary who is assumed to “run the place” — he or she is privy to top-secret information and acts as a gatekeeper, managing access to the top of the hierarchy. Actually, in most cases, the administrative assistant is only aware of everything that happens, but is unable to influence it. Meanwhile, behind the scenes, there probably are some quiet influencers — members of informal professional networks — who know how to shift the direction of people’s decision-making and covertly do it.

● **The Charismatic Random Star.** This pattern generally centers around one or two mercurial, rainmaking Core Group members who have license to be indulged, with the rest of the organization scurrying to keep up, tying up loose ends and complaining about the lack of stability. They continually collude, of course, in the same randomness that they complain about.

● **Silos, Stovepipes and Chimneys.** When Core Group members continually avoid conflict by avoiding each other, the people who report to them and watch them for signals often do the same. The resulting rivalry becomes more intense the more the functions of each respective group duplicate each other; the legitimacy of each is dependent on how it can show up the cluelessness and intransigence of the others.

Of course, all of these categories are gross oversimplifications. Real-world Core Group dynamics are immutable and indistinct, so very much a matter of perception and interrelationship. To determine a Core Group’s true characteristics, one would have to tap into the mindset of the organization’s people to determine whose interests they consider when they make a decision.

Are You in the Core Group?

Where do you stand in relation to the Core Group at your company? Are you in the “Group Loop” or standing outside it? Ask yourself the following questions:

- Are you visible to the organization? Do you feel the company sees and values you?
- If you say something significant, do you hear it

repeated until it makes its way back to you?

● Are you given raises, credits, promotions and perks before asking for them?

● Do you receive such gestures when being courted for a job, only to have them drop away when the organization is able to take you for granted?

● Do you have a basic sense of well-being about where the organization is going, and why? Is your ideal job situation similar (or equal) to where you work currently?

● Do you get hints from people throughout the organization that they would like to know what you think, but few people actually ask you?

● Does your organization love you? Do you love it in return?

A Special Kind of Love

Membership in the Core Group is like a passionate love affair between the corporation and the object of its affection. There are so many stories about organizations laying the world at their lovers’ feet, stories that offer glimpses of fairy tale-like perks and privileges:

In 1989, ITT’s chief executive, Rand Araskog, published a book that, some months later, was about to be remaindered (sold at low costs to inexpensive outlets). A partner at a media purchasing supply firm received a call from an ITT public relations manager, expressing the fact that he didn’t want Araskog or anyone else to see the book on some one-dollar table. The media firm purchased all remaining 25,000 copies for a dollar apiece, stored them briefly, and then dumped them.

When McCaw Communications introduced its cellular telephone technology in the United States, those who knew the industry could always tell where the service would be introduced next — by looking at founder Craig McCaw’s vacation plans. Places where he was traveling soon had excellent service. Even today, the best way to guarantee you’ll have great cell-phone service is to buy a home near a phone company executive.

Relocated Corporations and Their CEOs’ Homes

In the 1970s, author William H. Whyte studied corporations that had moved their headquarters from New York City to its suburbs. He and his research staff plotted the location of 38 relocated corporations vis-à-vis the homes of their senior executives; the average distance from the CEO’s home was eight miles.

These are not business stories. These are love stories about organizations trying to make individuals feel special. The perks are simply the most visible symptoms of the companies’ infatuated state. ■

For Additional Information on the Core Group,
go to: <http://my.summary.com>

Power and Legitimacy

As employees, we cannot vote our bosses into the Core Group — this is not a democracy. We do, however, vote in another sense: with the quality and commitment of our decisions. We depend on the boss for direction, and he or she depends on us for legitimacy. If we enlist wholeheartedly in an individual's cause and make our decisions accordingly, then we have delegated a much stronger kind of power to him or her.

On the other hand, if we comply grudgingly with commands from our boss, we tend to produce an atmosphere of resentment and tedium. People notice this; they also notice the meager results that typically emanate from such a lack of commitment. All of this makes an impression, and our boss' status in the Core Group grows weaker.

'Positional' Power Versus Legitimacy

The boss has "positional" power based on his or her spot in the organization's hierarchy, which boils down to his or her ability to compel people to follow orders. Bosses without much legitimacy can use incentives, threats, discipline, bullying and so forth, to get people to do things. None of these, in the long run, is as effective as legitimacy. It is legitimate leaders (particularly in times of crisis) who make the most difference; positional leaders simply lack the standing to do much.

If legitimacy seems like a thin, momentary kind of power, compared to the power of authority, it is in part due to long-standing attitudes about the way power should work — there was always someone in royalty, or even some Higher Being, who demanded (and, in most cases, received) total obedience. In today's world (at least in democratic societies), authority is relative — we carry our bosses around in our heads.

Why, then, do we simply go along with the status quo, or legitimize our bosses who do not deserve legitimacy, simply because they are bosses? There are two reasons — first, we tend to do what we think we're supposed to do, because we do not think we have a choice. Second, we legitimize the status quo because to do otherwise taxes our capability; it is quite difficult to make every possible decision in a matter. It is simply more possible to act in favor of those who have legitimacy in our minds, even if our relationship with them is antagonistic. It is easier to think about what the boss would like to do, rather than having to figure it out from scratch each time. ■

Know Your Boundaries

If you want your dignity intact, and you're working at a modern job, you must know what organizations are good for and what they are not good for. They are

The Brand Called 'You'

In 1997, in the midst of the dot-com boom's super-healthy job market, Tom Peters (author of *In Search of Excellence*) announced a new strategy for employees of mutual consent — the "Brand Called 'You.'" Good riddance to company loyalty, he said — it had always been a kind of indentured servitude left over from the days of hidebound bureaucracies. He exhorted audiences to package on-the-job personae for themselves — to find those attributes that, with a little refinement, could comprise their own unique selling position. They could then accentuate those qualities into a continuous presence that people wanted to buy — a personal brand.

Unfortunately, the strategy doesn't work for most of us — maintaining a personal brand is all-consuming. It means applying the same rigorous discipline to your life that companies like Coke, Starbucks, Disney and other companies apply to their products and services. That works fine for companies, but in people, it's typically called "shameless self-promotion." It's what makes such "brand-called-me" personalities as Oprah Winfrey, Martha Stewart, Geraldo Rivera and Donald Trump (even Tom Peters himself) morph so easily into caricatures.

innately set up to fall in love with the Core Group — that's what they're good for. However, just because you are among the 95 percent of people in your company who are *not* part of the Core Group does not mean the organization is not good for you. Indeed, in many ways, you may be better off having a non-Core Group position, especially if you are not ready to commit your life to any particular organization.

It's Business, Not Personal

First, however, you must recognize your situation for what it is, and not be distracted by an illusory Core Group status that you do not actually share. You may have strong and satisfying relationships with people in the organization (including people in the Core Group), complete with certain perks and benefits, but you cannot count on the organization to operate on your behalf if it doesn't have to. Indeed, the organization might not see you as an individual, only as the results you produce and the demands you make on it. The organization will not notice if you leave; it will simply fill the space left by your absence. It's business, not personal.

If you are not in the Core Group, you are a transactional employee, or an employee of mutual consent. Your job is defined by an implicit or explicit contract between you and your employer, in which you might be

(continued on page 6)

Know Your Boundaries

(continued from page 5)

asked to provide a level of commitment and interest aside from simply showing up. The organization has the right to promote, demote, deploy and discard you. Either side can break off this relationship at any time (subject to the terms of your agreement).

Core Group members, likewise, have contracts, but theirs are formalities, secondary to the organization's willingness to please them. Even if your company is essentially good-hearted, you cannot expect it to watch out for you. Most of its members don't have the space or time to pay much attention to you, except on an individual basis: They are too busy watching the Core Group. A clear, coherent transaction turns out to be a much more solid foundation for a working, mutually beneficial relationship than an illusory Core Group relationship. ■

For Additional Information on the brand called Welch, go to:
<http://my.summary.com>

Leading the Core Group

If you're a senior executive, you have the broad power to give commands (to promote people, for example, or to set targets or authorize decisions). Those commands are, however, constrained by guesswork — you cannot specify how people interpret your commands, or how they interpret information. Nor can you specify how people will lead individual projects. Your greatest formal power comes from the fact that you represent the last line of authority in your organization.

As CEO, you are also constrained by Core Group priorities. There are other Core Group members besides yourself, often with conflicting goals — key constituents, labor unions, regulators, major customers, etc. You have influence over these Core Group members, but not total control. In the end, you might have good reason to override the needs and priorities of other Core Group members, but you must do so in a manner that does not have undesirable, long-lasting consequences.

The CEO's Choices

Executive leverage lies in sending signals and establishing constraints; setting an environment and context out of which a Core Group can emerge. Among the things you can affect are the following:

- **The paths by which people are recruited, promoted, trained, rewarded and laid off — and, most important, the assumptions about employees of mutual consent that underlie those paths.**
- **The visible ways in which senior executives pay**

SRC's Expanded Core Group Pitches In

Springfield Remanufacturing Corp. (SRC), a Missouri-based industrial equipment and business-service company, is known for its "open-book management" — executives deliberately educate their employees in all the financial numbers of the company's business. Staff members "huddle" weekly to discuss financials and to discuss strategies. They take the company's growth and prosperity personally, in part because, due to employee stock-ownership, nearly all shares of the company are theirs.

Once, in the early days of the company — when outside investment was hard to come by — the organization took a hit when it lost one of its key customers, whose revenues had been an integral, irreplaceable part of its business plan. Burdened with an extraordinary 89:1 debt-to-equity ratio, an enormous cash crunch even if it were profitable, and an unforgiving creditor, CEO Jack Stack felt he had no choice but to let everyone in the company's plant know exactly how bad things were.

SRC's people appreciated his honesty and the opportunity to learn and to proactively take part in saving their jobs. Indeed, each employee felt a sense of "ownership" of the organization's problems, pulled together, and watched his or her spending. All this became even more apparent in 1988, when the staff at the plant voted to defer a bonus and chose to build up the company's long-term strength instead.

attention, and some of the channels through which that attention is made obvious. Employees take careful heed when Core Group members listen — from that, they learn what things are most relevant to the Core Group, and, thus, the organization.

- **The patterns of information and communication flow.** When communication from the Core Group is well-conceived, deliberate and consistent, the entire enterprise can be educated, over time.

- **The support given for entrepreneurialism and error.** People who are trying new things need the freedom to say no to trivial requests, and the freedom to experiment without fear of vulnerability. These things will only happen if the Core Group supports them.

- **The quality of your own leadership.** The Core Group members must recognize their privileged place within the organization and the commitment that it requires.

Believe it or not, there exist organizations where nearly everyone is in the Core Group — where decision-

(continued on page 7)

Leading the Core Group

(continued from page 6)

makers take into account all of the members of the organization whenever a decision is made, and everyone works on behalf of everyone else. These organizations have expanded their Core Groups without gargantuan salaries or extravagance, by establishing a design that makes it clear where people stand, and by following through on the idea that everyone's welfare and development is an organization-wide priority.

There are structural elements that enable the organization to pursue this path, among them employee stock-ownership plans, nonhierarchical decision-making, and in-depth training. None of these, however, are panaceas in themselves, but when they are combined together in a comprehensive and consistent design, the result is often an "Expanded Core Group" organization. In this type of organization, it is easy for everyone, from the CEO on down, to take the needs and priorities of everyone into account when he or she makes a decision.

Such workplaces require careful attention on one hand to reporting procedures and financial controls, and on the other hand to the way in which people learn and grow personally. In the process, they automatically foster a Core Group-style attitude about the business among people throughout the organization, and they encourage people to make decisions on behalf of all employees.

Handling Diversity

Regardless of whether you lead an Expanded Core Group organization or one in which the Core Group is much more exclusive, diversity is a Core Group issue. If conversations about diversity in an organization bypass the Core Group, the organization has, in effect, not dealt with diversity at all, regardless of how many lawsuits have been filed or workshops conducted.

But a million workshops will not address the Core Group diversity issue unless the Core Group leads the way. Only Core Group members can break a "glass ceiling" in the organization that prevents certain types of people from entering the Core Group no matter how valuable or worthy they might be. Regardless of the particulars of the group or groups it excludes, the Core Group sends a message that it's mandatory to treat some people as innately worth more than others. Over the course of time working for organizations, people tend to internalize this attitude; they treat others as worth less than themselves because of lower rank. This attitude is often unconscious, eventually pervading organizational life.

Why should we care if an organization's leadership is closed off from a significant portion of its members? Consider the question from two perspectives:

First, suppose that you are a member of the Core Group. Your strength comes, at least in part, from your insularity and cohesion. You talk easily together, and you look for people to join you who will also be able to talk easily. Regardless of whether they approve of that insularity, people in the organization see the ways in which you as a group depend on it. Yet, how do you know you aren't missing something important as a result of that insularity? If others in the organization are aware of this, how do they get both the permission and the wherewithal to bring it to your attention?

Glass Ceilings

Second, consider the perspective of the people who are systematically excluded from the Core Group and blocked by glass ceilings in your organization. They want to be promoted, but not at the expense of changing the way they think, talk and act. And what if they change all that, and still don't fit in?

No one but the Core Group members can decide how inclusive your Core Group can be, but consider this — a Core Group needs to understand the lives of its organization's constituents, which means being willing and able to engage them and learn from them. ■

For additional information on a glass ceiling story, go to: <http://my.summary.com>

Building a Portfolio of Equity

In order to be effective in any company, you must build up organizational equity — the kind of equity that you can create yourself, which increases your influence in your organization, and helps you fulfill your own dreams. You might ordinarily think of equity as the assets, transformed into stock, that shareholders own, but this definition is far too narrow.

Equity is any share of accumulated wealth, including such intangible forms of "social capital" as relationships and reputation. Equity gives you leverage in an organization (and in life, in general); it also accrues exponentially, with the same emotional dynamics as a savings account. There are dozens of types of equity that an individual can accumulate, including the following:

- **Fungible financial equity.** Have you amassed sufficient funds to enable you to walk away from an organization if you find the Core Group untenable?
- **Rainmaking equity.** Do you have the ability, the contacts or the approach necessary to raise money or business?
- **Credential equity.** Are you at the level or position in your field that will enable you to make satisfactory career moves, even if they are linear?

(continued on page 8)

Building a Portfolio of Equity

(continued from page 7)

- **Reputation equity.** Do others honor your ideas?
- **Relationship equity.** Do you know the right people — the people who can help you challenge the top without fear of losing your job?
- **Capability equity.** Are you able to gain new capabilities and skills?

Building different forms of equity helps cement loyalty to an organization, aligning you with the purpose of the enterprise, thereby building the strength of the whole system. In the absence of that help, you can at least build equity for yourself, and lead a rich, rewarding life in the workplace, regardless of your relationship with the Core Group. ■

For Additional Information on your own portfolio of equity, go to: <http://my.summary.com>

The Shadow Core Group

In most organizations, open conversation about the Core Group is frowned upon, because it triggers deeply emotional feelings about privilege, power and rank. Yet, it's difficult to not talk about the Core Group, particularly when one realizes its impact on the organization. People seriously trying to influence a company can only be effective if they understand the priorities of the Core Group, as opposed to people's perceptions of those priorities. That means raising awareness of "who really matters" dispassionately, without triggering a backlash, either from Core Group members or on their behalf.

There are ways to accomplish this, primarily by establishing your proficiency as a deliberate intervenor. Intervention in a complex system is an art form in itself — the art of crafting legitimacy for a set of new ideas. The best way to begin to do this is to convene an informal team of compatriots who feel the same way you do — a "shadow" Core Group that goes everywhere the real Core Group goes, one step behind. This helps prepare you all for the time when your ideas become more formally adopted (if they ever do), for the time when you enter the Core Group, or for the dealings that you may ultimately have with the organization in a more authoritative role.

Raise Consciousness

The purpose of your shadow Core Group is to raise consciousness — to build new awareness of the purpose and potential of the organization among Core Group members, decision makers throughout the organization, and yourself. Your group can do this in a number of different ways:

- **By moving deliberately to widen the shadow Core Group to embrace and include real Core Group members.** "Conversations that don't include the Core Group are *about* change," says Peter Garrett of Dialogue Associates. "Conversations that include the Core Group *are* change."

- **By understanding how the Core Group defines success and framing your project as a method or milestone for accomplishing their success.** Ask a Core Group member what, in his or her opinion, would constitute success in a particular endeavor. If you do this well, three things will happen: 1) You will learn some things from what he or she says; 2) he or she will have the chance to become intrigued, amplifying your ideas through sharing them with others, and gaining you allies you don't even know you have; and 3) you will warm them up for the time when you move another step in the endeavor.

- **By waiting for the right moment before asking for certification.** There is a time when you need a budget approved, a check written, or a contract signed. Don't rush that moment; rather, do as much as you can before that moment to demonstrate your own capability.

- **By learning how to hold high-quality conversations.** Conversations that touch on Core Group issues require "space" — the thoughtfulness and presence you bring to the interaction, and the time and cadence of the conversation — to keep your conversation partner relaxed and more likely to trust you.

- **By getting the whole system in the room.** All members of the Core Group — and there are probably more than you realize — have something to tell you that will be critically important, and if you overlook it, you might be setting yourself up for conflict later.

Amplify Positive Defiance

- **By amplifying positive defiance.** Some people, in an effort to "speak truth to power," tick off the Core Group by telling the Core Group's members what they've done wrong. Instead, you'll want to find people who deviate from the norm by doing the kinds of things you think are significant moves in the right direction, then draw attention to them.

- **By articulating misperceptions.** Show people the difference between what the Core Group truly wants and needs and what people perceive the Core Group to want and need.

- **By practicing.** Set up places where you can try to intervene without inordinate risk, then determine what worked, what didn't, and what you can do differently next time. ■

For Additional Information on what not to do with a shadow Core Group, go to: <http://my.summary.com>