



*Connecting the Front Range to the World!*

## **Is Your Organization Relational Oriented or Task Oriented?**

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In recent years there have been many papers and articles written on relationship selling. This is a very important strategy in today's global economy. However, not much attention is given to the relational impact of programs, projects, products, and human resources internally within an organization. In today's ever changing global economy, companies need to be proactive and to understand the impact events have on their organization.

### **So what is a Relational Oriented Organization?**

A Relational oriented organization is more than developing personal relationships. Relational organizations anticipate events. They understand that each part of the organization is affected by what happens elsewhere within it and what happens in the real world around it. In other words, if accounting implements a new cost management system how does this affect sales or operations?

A relational oriented organization is designed to understand the disruptive impact of; new products, changes in market conditions, internal issues, and global political events before they occur. These organizations anticipate these events by building contingencies into their planning process and implementing these contingencies when the events occur.

Contrast this to task oriented organizations which follow a traditional planning process and business model based on past internal business practices and experiences. These organizations have built a culture of performing task independently of one another, within the organization. For instance, an organization with a long sales cycle is prepared to launch a new line of products. Yet the sales team is still selling the existing product line. The impact is the new product launch is delayed until the sales team effectively transitions its clients to the new product. We see this quite often in the Automobile and Retail industries, where the market channel partners are not aligned with the company's objectives.

### **Wouldn't good program management address this issue?**

Effective program management can address some of these issues. However what is the traditional role of program management? It is usually the coordinator of many tasks internal to an organization. In most cases it does not address external issues such as the

impact of global events. Furthermore program management is compromised by the fact that most of the internal tasks are designed for the effectiveness of a particular department or division and not necessarily to the benefit to the organization as a whole. The net affect is that program management tends to worry about driving the tasks and not the relational impact these tasks have on the organization.

### **So what are the characteristics of Relational Oriented organizations versus Task Oriented Organizations?**

The main fundamental difference lies in the leadership of the organization. Leaders who are visionaries tend to create the characteristics of a relational oriented organization. These leaders tend to have a clear vision as to how to lead their organization through growth and competitive challenges. Many of these leaders also may have been the company founders. They took the risks early on and guided the organization to its current level.

Task oriented organizations have the characteristics of engineering dominated cultures. In addition, the leadership team most likely will consist of professional managers with little entrepreneur experience.

The following table summarizes the characteristics of each group.

<b>Task Oriented Organizations</b>	<b>Relational Oriented Organizations</b>
<ul style="list-style-type: none"> <li>• Engineering corporate culture</li> <li>• Professional Managers</li> <li>• Some what risk adverse</li> <li>• Tend to react to changes in the market</li> <li>• Processes drive employees</li> <li>• Employees unaware of the impact of their work on the organization</li> <li>• Tend to lack diversity within the organization</li> <li>• Some friction in the Market Channel</li> </ul>	<ul style="list-style-type: none"> <li>• Entrepreneur culture</li> <li>• Visionary leadership team</li> <li>• Risk takers</li> <li>• Want to drive changes within the market</li> <li>• Employee empowerment</li> <li>• Employees understand how their actions impact the rest of the organization.</li> <li>• Strive on organization diversity</li> <li>• Aligned Market Channel partners</li> </ul>

**Table 1 Comparing the Characteristics of both Organizational styles**

### So how does each organization act in the Market Place?

The following table illustrates how a Relational oriented and a task oriented organization would approach the same issues.

<b>Event</b>	<b>Situation</b>	<b>Task Oriented Organizations</b>	<b>Relational Oriented Organizations</b>
Global Event	Rising demand for steel in China results in a 30% increase in cost domestically	Looks at cost reductions through process or commodity substitution, Unfortunately the savings take 12 mo to be realized	Anticipates rising global demand and negotiates a long term supply contract at the old price.
Internal	Top sales person goes to the competition	Scrambles to retain the sales persons contacts and existing clients	Ensures the relationship with its clients is a corporate relationship and not tied to one individual sales person.
Internal	New Product Launch does not ramp up to speed as planned	The company staffs the organization based on the original plan. The delay in market acceptance negatively affects cash flow and profitability	Organization designs staffing based on the unique needs of the program. Staffing is only committed once pre determined bench marks are achieved.
Off shoring	A major customer requires the organization to establish an overseas operation to support the customer	The organization works to establish the operation based on the customer's request.	The organization evaluates the impact that the off shore operation will have on its total organizational structure. It will look to use this operation not only as a support for the existing customer but as a beach head for new markets.

**Table 2 Comparison of Task Oriented versus Relational Oriented Organizations in action**



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### **Do Quality Systems, such as, Six Sigma inhibit an organization to be Relational Oriented?**

Not necessarily, in fact these programs can actually support the process. The key is to understand that these programs are a tool and not necessarily a means by themselves. These tools can be used to facilitate the design process by building in checks and balances between the strategic planning and implementation processes.

### **How does an Organization develop a Relational Oriented mindset?**

The obvious place to start is at the top of the organization. The CEO and the Executive Management team need to have the ability to develop a corporate vision that anticipates the future and to articulate it into a corporate strategy that can be implemented within the organization.

The strategy needs to be designed in a way that it can be executed by the management team. The management team must also be proactive. Thus accountability must be built into the process. Accountability however is a two way street. It's not just working smarter not harder. The Executive team must provide the passion and the tools necessary to the management team for the plan to be implemented.

This process is not as complicated as it may appear. We at Mountain Global work with our clients to help them develop this mindset within their organization. We have developed some basic tools to guide organizations through this process.

To learn how you can create a Relational Oriented Organization, contact us at: [bthilmont@mountainglobal.biz](mailto:bthilmont@mountainglobal.biz).

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