

The Functionally Fluent Organisation 2013 Terry Wright

Introduction

Of all the templates for interpersonal effectiveness and emotional literacy, the **Functional Fluency** model is one of the most credible. Derived from transactional analysis theory and based on extensive research, it has the advantage of being extremely practical and down-to-earth. Furthermore, it is supported by the **Temple Index of Functional Fluency (TIFF)**, the well-researched and validated development tool based on the model.

Nevertheless, despite the robust nature of the model, it is reasonable to ask: do Functional Fluency and TIFF have any relevance for managerial and organisational behaviour? And if they do, is anybody likely to listen? After all, when it comes to motivating employees, there is at least half a century of evidence-based theory which has routinely been honoured more in the breach than the observance. So we are perhaps entitled to be sceptical.

This article counters those doubts by suggesting that there is a growing awareness that the old ways have to change; and that in the context of that awareness, Functional Fluency is an approach whose time may have arrived.

Functional Fluency – What is it?

The Functional Fluency model names, describes and explains key aspects of human social functioning. Understanding the nature of the nine modes of behaviour in the model and how a person uses those modes, both positive and negative, helps to build self-awareness, the key domain of emotional intelligence. Learning how to expand and enrich the use of the five positive modes and transform the four negative modes supports development in other domains of emotional intelligence such as self-motivation and social competence.

See figure 1 for an outline of the Functional Fluency model. For more information see:

www.functionalfuency.com

FUNCTIONAL FLUENCY MODEL

Descriptions of the nine behavioural modes

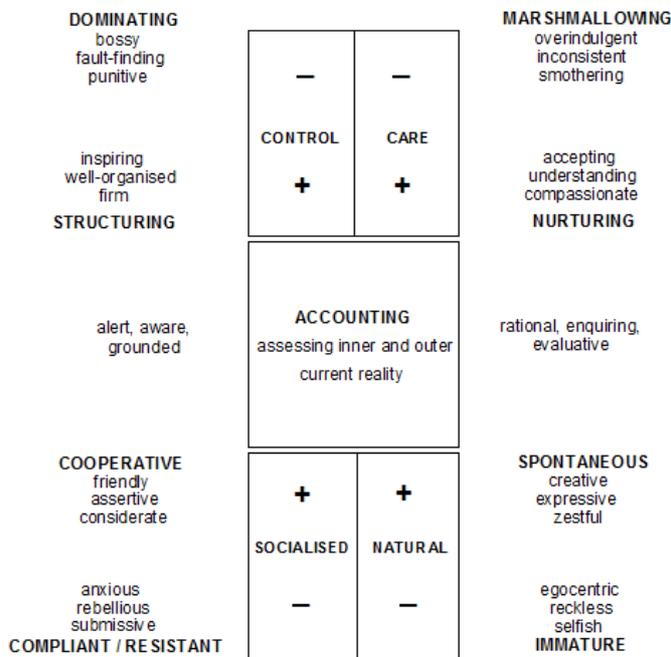


Figure 1

How does Functional Fluency link into organisational effectiveness?

The Background - experts have been saying for many years that some ways of managing people are more effective than others. Herzberg, Maslow, McGregor, Drucker and others shaped management thinking in the second half of the last century. Many organisations sought to put their ideas into practice. For the most part, however, there was a gulf between theory and practice, thinking and doing. Whilst most managers and leaders paid lip service to the latest theories, the majority of workplaces operated in a traditional management style. They were top-down, hierarchical and authoritarian – and within the overall culture of those times, they were often very successful.

Since then, the pressure for change has built steadily. In the last ten years, studies conducted in both the US and the UK identified a positive correlation between effective people management practices and organisational success. **You can see the appendix for more detail** – but put simply, the studies concluded that:

How well people are managed makes a difference to the effectiveness and efficiency of organisations as well as (in the commercial world) their profitability.

This research caused a stir in academic circles and amongst some human resource specialists. For the first time it created a link to the one factor that matters most to those at the top of organisations – the bottom line. Surely now, the tide would turn and change would happen. Stubbornly, however, many organisations carried on as before. They may have talked the new talk but they still walked the old walk.

Just in the last year or so, however, there seems to have been a realisation that these old ways of running organisations simply are not working. This is no doubt partly in response to the global recession and the high-profile cases of senior management failures that have had disastrous consequences within and beyond the organisations concerned (Bob Diamond at Barclays, Fred Goodwin at RBS and Tony Hayward at BP are three that spring to mind).

It is also a reaction to the fact that the wider context in which organisations operate has changed. We now live and work in a more complex world. The acronym **VUCA** (Volatile, Uncertain, Complex, Ambiguous) came originally from the US military to describe the situations they routinely faced in the Middle East. It has struck a chord with many in the business world who see it as applicable to the modern working environment.

This feeling that the old ways are no longer working has been supported by new studies and surveys that indicate, if there was any doubt about it, that all is not well within many organisations and that changes are urgently needed.

Pointing the Way - in November 2012, **Gary Hamel**, visiting professor at London Business School and recently described by the *Wall Street Journal* as the world's most influential business thinker declared the traditional concept of management to be a "busted flush", in need of rebuilding from the bottom up. He described the conventional top-down hierarchical organisational model as "inherently inertial". "Management," he said, "is the least value adding element in any organisation. For the first time since the Industrial Revolution we cannot build an organisation fit for the future unless it is built fit for human beings. **We need to make organisations as human as the people who work for them.**"

It is no longer just the academics who are promoting the need for change. In April 2012, two very different organisations that might not have been seen as at the forefront of people management best practice each declared the importance of soft skills. **Tesco's** Group Resource Director acknowledged that new qualities were needed for the next generation of its organisational leaders. These qualities included collaboration, empathy, flexibility and resilience. Similarly, the **Army's** Director General for Personnel listed empathy as a key leadership quality, alongside others including self-awareness and humility.

Functional Fluency and Organisational Effectiveness

In the context of the above changes in perspective, it becomes easier to see how relevant Functional Fluency is to organisational effectiveness.

The link is even clearer when we look in more detail at the studies mentioned above that have been conducted in the last ten years because they go a long way towards defining what good people management looks like. In simple terms, they say that it involves giving people three things, namely:

- **Freedom** to act – opportunities for discretionary behaviour both within the job and as a corporate citizen
- **Incentive** to deliver in the form of financial, social and recognition rewards
- **Talent** to perform – the skills, experience and knowledge needed to do a successful job

Compare this with the parts of the Functional Fluency model that relate to **Being in Charge**. Firstly, the model looks at situations of **Control** that all managers and leaders face daily and distinguishes between the positive **Structuring** behaviours such as being supportive, firm and fair and the negative **Dominating** behaviours that involve blaming and fault finding.

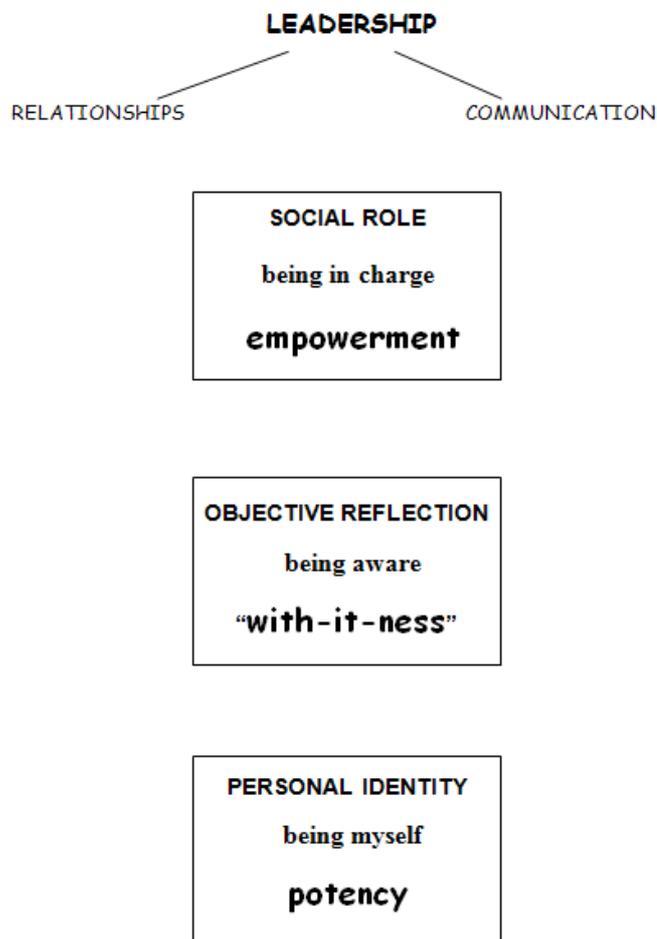
The model also looks at the **Care** aspect of **Being in Charge** – in managerial terms, the responsibility that leaders have for enabling their employees to grow. It describes the over-protective approach (called **Marshmallowing** in the model) that stems from a belief that subordinates are in some way inadequate. This results in an unwillingness to let go the reins, the “If I want something done well, I have to do it myself” approach that stifles growth. By contrast, a **Nurturing** style that is responsive, empathic and understanding creates opportunities for development. Put the **Structuring** and **Nurturing** styles together and the results fit almost exactly into the pattern of effective people management identified in the research. The underlying attitudes of “You can do it” and “You’re OK” mean that employees are given the **Freedom** to act. They have the **Incentive** of knowing that their good work will be recognised and praised. And they will be encouraged to learn and grow so that they develop the **Talent** to perform well.

That, of course, is only part of the Functional Fluency model. In addition to wanting leaders who behave in a **Structuring** and **Nurturing** way, we should surely also look for our leaders and managers to be strong in **Accounting** mode behaviours – good at assessing reality and foreseeing likely consequences. Such leaders will not only take relevant factors in a situation into account. They will also perceive the significance and implications of those factors so that their assessment of the consequences is realistic.

The **Cooperative** mode characteristics are about relating appropriately to others in an “I’m OK – You’re OK” manner that invites collaboration. Use of **Spontaneous** mode enhances this by helping a manager tap into their own unique creativity and ability to “be their own person” in their leadership relationships. The two modes to avoid are often out-of-date ways of relating to others that reduce effectiveness. On the one hand is socialised behaviour that is **Compliant** or **Resistant** rather than **Cooperative**. On the other hand are natural ways of behaving that are **Immature** rather than **Spontaneous**, and that therefore risk being inappropriate.

See figure 2 below for a model of Functionally Fluent Leadership.

Functionally Fluent Leadership



The Temple Index of Functional Fluency (TIFF®) is a tool for personal development. Its purpose is to increase a person's ability for building positive relationships. Self-awareness and understanding are the key to maximising interpersonal effectiveness and the ability to inspire and support others to do their best and to thrive.

www.functionallyfluency.com

© S.F.Temple 2006

Figure 2

So where does this take us?

We have seen evidence that:

- One of the key differentiators between successful and unsuccessful organisations is how effectively they manage their people.
- The need for change is becoming overwhelming.
- Functional Fluency is a model of interpersonal effectiveness and emotional literacy that provides a template for effective people management.

It follows that, by using the Functional Fluency model, we can identify how an organisation matches up to the ideal of, as Gary Hamel says, being as human as the people who work in it.

Truly taking on board the Functional Fluency approach can transform the way organisations operate day-to-day in their dealings with people both internally (employees, colleagues) and outside (customers, suppliers and the general public). It creates ways of behaving that lead to people throughout an organisation:

- Communicating more effectively
- Having more successful and satisfying work relationships
- Choosing responses that help things turn out well
- Saving a lot of time, energy and stress

So - how functionally fluent is your organisation?

Having come this far, we can now get personal and ask the question – how functionally fluent is your organisation? Part of the challenge for the Fluent Self Community Interest Company is to work with key individuals within organisations to help them answer that question. In order to do so, we use the Functional Fluency model as well as TIFF.

Most importantly, we can assist with identifying the gaps between where you are and where you would like to be and support you in the design and implementation of plans to bridge those gaps and, as an organisation, become more functionally fluent.

In our experience, the journey is challenging, enjoyable and worthwhile. We seek to get you as close as possible to the ideal model of the Functionally Fluent organisation. Whilst we recognise that this ideal may be unattainable in this imperfect world, we take comfort in the words of poet, soldier and (probably) functionally fluent Elizabethan citizen Sir Philip Sidney who wrote: "Who shoots at the midday sun, though he be sure he shall never hit the mark; yet as sure he is he shall shoot higher than who aims but at a bush."

If you would like us to help you take aim, you can contact.....

Terry Wright

April 2013

Appendix

Evidence of the need for change – 2000 onwards

In the last ten years, there have been over 30 studies in the UK and the USA that have looked into the links between effective people management and organizational success. These included research studies conducted by:

- Stanford University
- The University of Bath
- Sheffield Institute of Work Psychology
- The Chartered Institute of Personnel & Development

There is a fair degree of consistency between the outcomes of the various studies. They all demonstrate a positive correlation in organisations between effective people management practices and organisational success. If you manage people well, they will perform more effectively and this will flow through into better results.

From the research, it is clear that successful organisations develop relationships with their employees based on high mutual trust. This leads to staff exercising the kind of discretionary behaviour or "*going the extra mile*" that makes all the difference between a successful organisation and the also-rans.

The most recent evidence

Here are just some of the recent surveys and studies that have given a sense of urgency to the need for change:

Management consultancy **Orion** surveyed 2000 UK workers in July 2012. Half of those surveyed felt that their leaders made them feel threatened rather than rewarded. Two thirds of them saw their leaders as lacking in self-awareness. A quarter said that their leader was totally "brain-fried" – defined as over-stressed and lacking communication skills and empathy with their employees. Orion suggests that neuroscience research demonstrates that these are the opposite of the qualities needed for effective leadership.

A CMI/Simplyhealth survey, ***The Quality of Working Life 2012*** is based on a survey of 1000 managers. Asked to describe their organisation's management style, 45% said bureaucratic, 33% reactive and 30% authoritarian. They described these styles as leading to employee disengagement, reduced job satisfaction, poor health, reduced productivity and declining business results.

In February 2012, a report, ***Lessons for Leaders from the People who Matter***, based on a survey of 1250 employees in a range of countries across the globe revealed high levels of demotivation. 60% of respondents stated that their boss damaged their self-esteem sometimes, most of the time or always. The majority of those not currently working for their "best ever" boss reported that such a boss would make them between 20 and 60% more productive. Major differences between best and worst bosses were the willingness or otherwise to ask for ideas or input and to provide feedback on performance. When asked what they dreaded most, having a difficult conversation with their boss received more votes than suffering a bad hangover, catching a cold, doing housework or receiving their credit card bill.

In May 2012, the **Chartered Institute of Personnel and Development (CIPD)** reported a major reality gap between employees' perceptions of their managers and the managers' own perceptions. 8 out of 10 managers thought that their staff were "satisfied" or "very satisfied" with their performance as managers but only 58% of the staff agreed with this assessment. There was also a gap between managers' and employees' assessment of managerial activities. 61% of managers said that they met with their employees at least twice a month to discuss their workload and objectives but only 24% of employees said that this happened. There were similar mis-matches in perceptions of other related activities. 90% of managers thought they coached their staff but only 40% of staff agreed. 75% of managers claimed to discuss career development issues with their staff but only 40% of staff thought that this happened.

In April 2012, **River Marketing** surveyed over 2000 people and identified that more than a third of respondents stated that they rarely or never received appropriate or sufficient recognition or appreciation at work. A similar number felt that the communication received from their senior management was inadequate.

In March 2012, the Chartered Institute of Personnel and Development (again) published a report, ***Where has all the trust gone?*** that identified a breakdown of trust in organisations. The study identified four key qualities in leaders that inspire trust:

- Ability (perceived competence)
- Benevolence (caring about employee wellbeing)
- Integrity (perceived moral principles)
- Predictability (consistency of behaviour)

It also identified the practices that can create or restore trust:

- Working hard to build up a fund of goodwill – a trust fund
- Managing with integrity
- Serving the workforce – looking after the needs of employees as well as customers
- Using honest, direct communication – killing spin
- Ensuring that senior leaders engage with local line managers
- Ensuring that the employee relationship is based on current realities

In November 2012, a report – ***Employee Engagement – the Evidence*** – demonstrated that **organisations with high engagement levels achieve better results than their low engagement counterparts in terms of performance, productivity and, in the private sector, profitability.** Engaged organisations also report lower staff absence, lower employee turnover, fewer accidents and higher employee wellbeing.

In August 2012, Christina Boedker of the **Australian School of Business** reported on a major study that showed that **the single greatest influence on productivity and profitability within an organisation is the ability of a leader to be compassionate.**

Christina Boedker's description of the compassionate leader comes close to capturing the essence of Functional Fluency in action. She defines it as being able to **"understand people's motivators, hopes and difficulties and create the right support mechanism to allow people to be as good as they can be."**