



AN INTERVIEW WITH ROSABETH MOSS KANTER



FEW AUTHORS — academic or otherwise — have been as prolific as Rosabeth Moss Kanter, the Class of 1960 Professor of Business Administration at the Harvard Business School. Fewer still have been as insightful about the inner workings of companies.

Professor Kanter began her academic career as a sociologist studying organizations. Her earliest work examined the communes of the 1960's and the social movement that propelled them into existence. Later, she subjected the corporation to her pow-

ers of analysis in a book called "Men and Women of the Corporation" (Basic Books, 1977), an important work because it revealed the discrepancies between the way men and

women were treated in corporate America in the 1970's, as well as described the different ways they organized to do their jobs. The book changed the way in which many companies sought to integrate women into the work force. Though the name and many of the attributes of the company in her study were disguised, it is a testament to the book's

relevance that scores of people wrongly believed Professor Kanter had written about their own companies in her book.

While the structure, organization and

**BY
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sociology of companies has always intrigued Professor Kanter, she also became fascinated with the issue of change. How does lasting change occur within corporations? What forces block it? How can resistance to growth and change be overcome? She wrote a number of articles and books to answer these questions.

More recently, Professor Kanter turned her attention to the global/local dichotomy. How does a company become truly global? In her book “World Class: Thriving Locally in the Global Economy” (Simon & Schuster, 1995), she explored the examples of Gillette and other firms that have gone beyond the “flag planting” stage of internationalization to the fully global stage of seamless, worldwide integration. At the same time, she also explored why certain communities — localities — were more attractive than others for locating global businesses.

In a way, Professor Kanter is now returning to her roots as a sociologist. Recently, she wrote an article in the Harvard Business Review on change and innovation. In the article she looked at the examples of certain social agencies as beta sites for corporate change.

Professor Kanter's is a peripatetic mind at work. What follows is excerpted from a conversation with Professor Kanter at her home in Cambridge, Mass.

S&B: *Let's talk about the future. You advise today's corporate leaders and you teach tomorrow's. What are you telling them are the important trends you see on the horizon? If you're an*

executive who wants to position your company for what's ahead, what must you do?

ROSABETH MOSS KANTER: First, think globally, even if you're still emerging. This doesn't mean just having an international presence. When you craft your strategy, you really have to keep in mind all the markets in the world that you're in and that you want to be in.

You have to think about making an impact in as many places as possible, as quickly as possible, because everything you are can be known everywhere. And the Internet is one of the big forces for global connectivity. It means that, even if yours is a local business, rooted in one place, you could still sell to customers all over the world if you wanted to. So you must be thinking about how to create connections to all those places.

S&B: *What do you mean by connections?*

ROSABETH MOSS KANTER: I mean the ways you connect your own people to each other. You need to make sure that they all feel they are part of one team, that you can move them from one place to another and that everyone identifies with more than just the one country or one city they happen to be in today.

S&B: *You're speaking about the company's culture then.*

ROSABETH MOSS KANTER: Yes. The company's own culture becomes very important, as does its ability to communicate, for its people to communicate with a common vocabulary.

But you have to become connected in another sense, too. You have to be much more aware of the differences from country to country, and you must take those into account when you create your global strategy. You cannot just plan everything for the home market and let the rest happen as an afterthought.

As part of that, you also need to be more community-embedded everywhere in the world. Corporate citizenship is getting bigger and bigger for many reasons.

S&B: *Embedded means what in this context?*

ROSABETH MOSS KANTER: It means becoming a real player that contributes in a positive way to the local community.

S&B: *So this is a version of the admonition “Think global; act local”?*

ROSABETH MOSS KANTER: In a way. What I'm trying to convey is that your global strategies must take account of differences in the various countries where your company operates, and then, with that knowledge, you must build local country relationships that are strong and deep so that you're seen as being an insider wherever you are. You will be constantly balancing your need for uniformity with the acknowledgement of differences. That is one of the big challenges companies have, both in terms of their strategy and management of people.

But global citizenship is very important because the private sector is being asked to do so much more. It's

becoming a routine expectation everywhere in the world, in fact, because it seems that companies that want to succeed do more favors than governments. But it's also true that global citizenship is one of the best ways to create a culture that employees care about. Remember that employees come from a certain place and they don't want to have to check their values at the door when they go to work.

S&B: *By which you mean global values expressed in the local context?*

ROSABETH MOSS KANTER: Yes, but also just good citizenship values. I worked with a large Swiss pharmaceutical company, Novartis, in the rollout of its new identity after a merger. This is a company that is very innovative in terms of its products and is working on a culture to be innovative throughout. As part of the rollout, the company had globalization and innovation as part of its mission, as well as community responsibility.

So I recommended a global goal of community service as one of the ways the company could help establish its new identity, not only for the people in all the places it operated but also for its employees to help them feel connected more quickly. And so Novartis Volunteer Day was created, and each country approached it differently because of the different ways in which people think about contributing. In a little town in Northern Sweden, for example, the Novartis people came out and fixed up a little lakeside area that the public used, and it was very touching to hear

about that. In some countries this would not have been part of their tradition, but this company really understood that community service was an important way to express who they were through something that every employee could get involved in — and that told the public they stood for more than just making money.

So I think that global citizenship

reliance on acquiring data and then sharing that data to make decisions. But there will also be more mischief because of the instant exposure.

This is going to be very difficult for companies. They are definitely going to have to become more responsive because there will be much less time to react to a crisis or a public relations disaster. They will just have to

“THE QUALITY OF SERVICE IS GOING TO BE A SELLING POINT IN A FICKLE ENVIRONMENT WHERE CUSTOMERS HAVE MORE CHOICES.”

is going to be a much larger part of the corporate equation in the future. And the more global you are, the greater will be the need to show that you're also responsive to the places where your employees live and work.

S&B: *What else should we be looking for?*

ROSABETH MOSS KANTER: Transparency. More information disclosed about more things in more places — and maybe without your control. More data, more ways to measure, more companies measuring more things. And more people measuring things about you. Some of it is the result of the watchdogs and government reporting requirements. Some of it comes from chat rooms and Web sites. No matter the origin, though, you can expect more management by facts all over the world, and more

learn how to use more information more quickly.

As I look ahead, I also think everybody's going to be in services. Even companies that make products are going to have to provide more services and to think about selling those services.

S&B: *By bundling them with their products?*

ROSABETH MOSS KANTER: Right. And the quality of service is going to be a selling point in a fickle environment where customers have more choices.

S&B: *This would be true whether the product is distributed over the Internet or in stores, correct?*

ROSABETH MOSS KANTER: Yes. Consider how people talk about how great the customer service is at

Amazon.com. They're talking about responsiveness. When people have a complaint, it means they have someone to complain to, and it means that when a promise is made, the promise is kept. So you will need to focus on that in the future.

I also think there will be more alliances and partnerships and external collaboration in the future. Loose networks. They will become much more important in the way every company does business. And there will be much more attention to explicitly managing those relationships to get the most value from them and to make sure that the partners get value. The power of the network is what helps companies get big everywhere fast. No company by itself can control all the resources or set up all the channels quickly enough.

So you've got to spend more time organizing those external networks and valuing them. Many big companies only give lip service to that. I'll give you an example. This is a really good company that makes ingredients for a product somebody else markets. One day the chief executive gets a call that his company is going to be visited by the head of one of the companies that is a really, really big customer for these ingredients. The C.E.O. immediately imagines that the visit is about the one ingredient they sell a lot of to this big customer. So they get the product manager for that ingredient to come and sit in on this meeting. It turns out, however, that the C.E.O. of the other company — it's a huge company — comes with the person who has just been appointed

the "relationship manager" for this supplier, and they've come to have a strategic discussion about all the products in the pipeline that this company has.

And my company was totally flustered. It never occurred to them. They don't have any relationship managers for their customers. They just sell to them.

S&B: *This is a problem that anyone who has suppliers would have, right?*

ROSABETH MOSS KANTER: Yes, but you don't see it in a lot of the best software companies. A lot of these new companies are not only born global — that is, they see themselves as world players on a world stage from day one — they also don't hesitate to pick partners anywhere in the world. They already have an eye on their markets, and they're learning who the competition is there. And they immediately think "partner" as a way to move forward. So from early on they tend to have people who are officially appointed relationship managers, whereas that's new for some of the bigger, older companies.

This is all going to be even more important in the future. What some companies don't think about yet — because the impact of alliances is really one of the newer phenomena of the last decade or so — is how to see all of their relationships through one lens. They'll have a standard alliance here and then one over in another part of the world, and still another somewhere else, but they seldom think about pulling all of these relationships together strategically. They

will have to soon, though. Many will start convening consortia of companies to do a lot of different things.

Just look at the difference between Apple at its start and now. Apple helped to usher in the personal computer era with its closed-system model. But today's model is a network, or collaborative, one. You create a great idea and then you line up as many partners as possible to help pull it forward.

I'm on the advisory board of another startup project called School Sports. It's a magazine that was started in Boston and is now going national and is also setting up its Web site. It understands that its future is all about lining up relationships — with coaches' associations, for example, and with AOL and ESPN and others. Big companies have been accustomed to thinking that you either buy something or you grow it yourself, but this is a middle ground, where you learn your way through alliances with independent companies that become part of your network. I think that's a big part of every company's future.

S&B: *What about speed?*

ROSABETH MOSS KANTER: That, too, is a big part of the future. The pace of change is only going to increase. We have more trade and more porous boundaries, and therefore more players and more markets all over the world. And one of the ways all those players compete is to constantly improve and change things. So the new competitors create change to which others must either react or create the next change.

As the number of players increases, the changes will just come faster.

And then we have an entirely new technology or medium in the World Wide Web, whose potential applications haven't yet been exploited. The issue here is no longer the technology; it's the ways we use it.

I also detect a yearning in people for stability and continuity and tradition in their lives, and so I find it not surprising that there is a resurgence of interest in traditional religions that is even making its way into the workplace. There are Bible study groups at some companies, and Torah study groups. Stopping to reflect like this helps to slow down the hectic pace and gives people renewal, makes them feel connected to ancient traditions and then makes it easier for them to jump right back in and think about change.

S&B: *In this world you're describing — where change and innovation happen faster, where companies need to think globally and reorganize their relationships around the world — what kinds of skills or qualities do people need to manage and succeed?*

ROSABETH MOSS KANTER: People need imagination. They need to be able to see and grasp new possibilities before they become concrete. Let me give you an example. I was in Singapore in February consulting on their vision for the 21st century, and I heard people in the highest circles — people who have been oriented toward rules and conforming to them — discussing the need for more creativity in order to compete. They've

even been attempting to lure more arts organizations to Singapore, partly for quality of life as they attract people from around the world who expect that kind of culture, but also because they now understand the role of creativity and imagination as a skill.

Stamina is also important. It's a crucial requirement because you

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can't have people who are hungry and sick all the time and expect to accomplish the things that need to be accomplished.

I think the desire for results, the desire to feel that one has accomplished something tangible and concrete, is also central.

I think initiative is very important.

And communication skills are critical. People are only going to become leaders who have the ability to communicate what they know and to inspire other people. And you need more people to be leaders as we have higher degrees of innovation. As you

embrace change, you need to be able to explain the changes to people and persuade them to go along with you when you, say, create the first Web site for your company.

Communication skills are also important because you have to make yourself understood to people who haven't shared your life experiences. I remember how homogeneous corporations were when I first started working in them. I was often the first professional woman some of the men in a company had ever seen. They had gone through all-male engineering schools and had then come to work for companies where the only women were secretaries. And these were all white guys, white Americans, who shared life experiences. Now we must be able to communicate with people who haven't shared our life experience. You need people who are more cosmopolitan, who don't speak simply from within a single world view but can understand and create bridges of thought. That's crucial at every level.

And, of course, we need brain power, sheer intellectual power.

S&B: *What about individuality?*

ROSABETH MOSS KANTER: I think, yes, definitely. In America, in our democracy, you learn that your voice is as good as anyone's, and you don't have to wait until the person in power tells you what the right answer is. And that's going to be very important.

But team skills are a necessity, too — the ability to work with other people as equals, to respect what they bring to the table, to listen to them for

ideas. Whether you're in a face-to-face team or a network sharing knowledge or a collaboration with your external partners, working cooperatively is crucial because you can't count on the power of your position anymore; you have to count on the power of your ideas.

In fact, I've been thinking a lot lately about the power of voice. It is becoming more important, I believe, than the power of position. It's a question of how much your words and the value you attach to what you say — rather than your title alone — can help persuade people and command their attention.

S&B: *You've listed some very important things for which companies must be prepared, but I'd like to come back for a moment to one of them: the phenomenal rate of change companies are experiencing. How can companies learn to cope with that, to change as fast as change itself?*

ROSABETH MOSS KANTER: Obviously, some companies manage and some don't. The ones that do, and in ways that we identify as associated with good change — for example, taking advantage of new technologies earlier rather than later — these are often companies that also have pockets and corners that are not so sexy and new.

S&B: *Such as?*

ROSABETH MOSS KANTER: Gap. Here's a retailer that was one of the first to have a Web site. And it devised a very creative and distinctive advertising campaign for its Old

Navy stores using a former New York Times fashion editor with big, distinctive black glasses as a spokesperson. It was something really different. Gap has an attitude toward innovation that allows every store manager, even within a formula, to try to create improvements.

It's an attitude that allows a manager to say, "I can experiment, I can

tive 15 percent. Instead of celebrating the very positive numbers they have because of their dramatic growth, he says, "Act as though it were a negative 15 percent, and what are you going to do to bring it back?"

That creates a restless search, or what I call restless dissatisfaction. No matter how well you're doing, you believe that you can do better. That cre-

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take a risk. I can embrace the idea of something new as a tremendous opportunity to test our limits and open up our creativity rather than fear it because it's going to challenge the territory that I've established and that I now rule.”

There also seems to be a certain healthy paranoia in companies that are great at change. They seem to say, "O.K., we're doing well today, but we might not be doing well tomorrow, so we'd better be better at what we're doing today, and we'd better try to destroy our own established model before somebody else does it for us." Gap's C.E.O., Millard Drexler, like Andy Grove at Intel, believes in this kind of paranoia. Drexler tells people that they have to think about their comparable-store performance as nega-

ates an obsession with unmet opportunities, with new needs and new desires. It's very entrepreneurial. It empowers people to be as creative as possible and to spend time challenging the established models.

And so it's that combination — of the willingness to experiment and the will to always do better — that triggers the ability to change. It's what puts some companies out in the forefront of the hot, new technology and has them constantly improving everything they're doing.

Everyone talks these days about how, "it's got to be radical, it's got to be breakthrough, it's got to be transformational." The companies that are the most radical, breakthrough and transformational, I think, also have a very large number of constant incre-

mental innovations because they go together. They're part of a culture that just keeps moving all the time.

S&B: *You mentioned culture, and I'd like to know what you would consider the ratio, so to speak, between structure and culture? In other words, if I'm working in a company that doesn't have an innovation culture, can I create a structure and a reward system that will bring it out? Or do I have to change the culture?*

ROSABETH MOSS KANTER: Well, they go together because culture is how people actually operate in line with the messages they feel they're getting, the values, the environment and encouragement that surrounds them. So you can't have a reward system that says, "we're going to reward the number of new ideas that people develop," if their managers don't encourage them to develop new ideas and applaud them when they do.

The distinction I would make is between formal programs and real behavior and values.

S&B: *What do you mean by formal programs?*

ROSABETH MOSS KANTER: Something like an idea-of-the-month program — you know, everybody once a month will come forward with their best breakthrough ideas. It's a formal program, it comes with a manual, it's announced by the C.E.O. with great fanfare, but in and of itself it doesn't reach people in their hearts and minds. For a program to be effective, people must embrace its goals.

I'll give you an example from a small company that I like that won the Baldrige award a few years ago. It's called Wainwright Industries. The C.E.O. is now on the circuit telling everybody how they did it. Wainwright wanted to get more employees involved in solving problems and finding new ways to grow the business. So it started out with the proposal process and a set of rewards. People would submit a written proposal, get approval and then carry out their initiatives. After a while, though, people just started doing it. They forgot about filling out the forms or getting rewards; they'd just act on their idea. The satisfaction came from just getting to be the leader of a project.

So now this behavior is embedded in the culture. They needed a formal program to kick it off, but they don't anymore.

S&B: *Gordon Bethune, the chairman of Continental Airlines, sends a check for \$50 to every employee when the airline is No. 1 or No. 2 in on-time arrivals. It is his view that everything follows from that metric. Is that the type of program you mean?*

ROSABETH MOSS KANTER: That can be a great program. He clearly signals the importance of the goal by putting a reward behind it and making it an event. After a time, though, if you're truly going to have a great company, people have to want to reach the goal because it is worthy rather than because the incentive is held out to them. The problem with this type of program is that, over time, people may start thinking

about the \$50 or \$100 as an entitlement. And they get angry when it doesn't come. They say, "Wait a minute, why are we being punished? I needed that \$50 for my kid's birthday party."

And so it starts playing a role that's different from engendering a genuine feeling of commitment to the goal. That's why a company's culture, rather than any formal program, is so important. A culture is something that people connect with, feel inspired by, think of as a normal way of operating. It's in their hearts and minds, and its core is voluntary behavior.

S&B: *Well, how do you embed the desire to be innovative? How do you embed the desire to be great? How do you embed that healthy paranoia into your company so that everyone has it in their hearts and minds?*

ROSABETH MOSS KANTER: You instill some of it in structured, formal ways. But you also do it by leading by example — how the leaders behave, what they talk about, where they spend their time. You do it by the opportunities you give to people. For example, instead of a recognition program that comes from the C.E.O. — which is very paternalistic — you give people the opportunity to create forms of recognition that are meaningful to them. So you empower more people to take on leadership roles.

You then support this by training and by communication, which are formal methods, but they can be carried out in a meaningful and comprehensive enough manner that people take

on the responsibility themselves. Change, then, becomes a way of life. It becomes the search that everybody undertakes for the next project where they can make a contribution for which they will be rewarded because they feel ownership.

I remember when I started out in this industry, a big manufacturing company came to me and my col-

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leagues and said they liked what we had been saying about managing change and hoped we would create a training program for them on managing change. So I said, “Oh, that’s wonderful,” because this was a big, lumbering bureaucracy. And we said, “You mean you’re finally ready to give people the tools they need so that they can create change,” which is what I mean by managing change. But they said, “No, no, no. We thought you’d develop a program that would help people be better at accepting the changes we forced upon them.” So they saw managing change as coping with things that were happening outside. Companies that stay ahead of

change are ones in which their people see change as something they themselves accomplish and not something that is imposed on them. They see lots of opportunities to take initiative.

S&B: *You must have also seen efforts like these fail, though. I’ve heard companies say, “We’ve tried excellency programs. We’ve had consultants.*

We’ve hired experts. And we still have not been able to make this company dance.” Are there reasons why attempts at managing change and engineering innovation fail?

ROSABETH MOSS KANTER: Yes. Sometimes it’s size. Some companies are just too big, and they try to do things in business units — chunks — that are too big. They start managing by a lot of rules and uniform procedures, and they make innovation and change a thing apart. And because they’re big, there are often many layers of hierarchy through which change must work its way.

Some companies, especially big ones, also starve their people of resources, creating much anxiety. Big companies have complexity, and because of that, people are often overloaded. They have too many meetings, too many communications, too many people to answer to, and so they often don’t have time to think about change.

Then there are the turf battles that occur because a change or an initiative that my part of the company is undertaking that is really good for us may be very threatening to another

part of the company. I recently talked with somebody in a company that’s trying to get into e-commerce, and, even though this is the hottest thing going, there are people in the company who are resisting it because they fear their part of the business is going to be destroyed by it, and they’ve never been told they have a future if that happens.

So there are lots of classical things that can stifle innovation and change. And I would add that people who are making decisions about the future often don’t have access to some of the best ideas in the company, which may be at the periphery or at lower levels.

Companies also seldom take sufficient advantage of the knowledge and commitment people might have to their own products. I was working with a fairly substantial food company that was very concerned about not having enough innovation. And one of its problems was that its people set goals that were too low. One manager, for instance, was very content that he had doubled his market share in a hot new category by putting out his product in a different kind and size of packaging. His numbers looked very good inside the company. Meanwhile, a rival company had quintupled its market share in establishing the new category. Now the C.E.O. at the first company was serious about improving performance, but the people could earn their pay and be content with their achievement at a lower level. They didn’t have that restless sense of wanting to be “the best.” And they didn’t look outside at what the

rivals were doing.

Secondly, that company had a lot of people working at lower-level positions who were actually users of its products who weren't very happy with the quality and taste of one line.

S&B: *They didn't like their own products?*

ROSABETH MOSS KANTER: No, but no one ever asked their opinion. By contrast, Gillette, you know, has volunteer shavers among its population, which allows it to get very early market feedback on a product.

Then there is the well-known example of Quaker Oats and Snapple. Snapple was a hot product when Quaker Oats bought the company, but Quaker Oats did not sufficiently value or understand the relationships Snapple had already established in the outside world with its distributors. Many of the distributors were fairly small business people, so Quaker Oats, as a big, powerful company, felt it could make unilateral decisions that all of the distributors would have to accept. I mean, big companies get imbued with their own power. What you lose in a big company, sometimes, is the hands-on connection that helps you master change. And even good companies can do that.

S&B: *A lot of what you're describing seems to do with the inability of many companies to transfer knowledge. Even when the hierarchies within companies are knocked down, it sounds like islands are created in their place. And the islands aren't linked; each has its own path for-*

ward. Whoever is developing the food product, for instance, is not talking to the people who are actually consuming it. Is it true that this is something you have to attack, and if so, how do you do that?

ROSABETH MOSS KANTER: It's very tough to attack when you're huge and the problem cuts across big distances, even though information technology now theoretically makes it possible to go those distances. The companies that I talk to — many of whom now have “officers for knowledge management” or “chief learning officers” — still say that the human tendency not to share information is getting in the way, even as there is more and more information to share and the need to share it is increasing. The problems here, though, are not really ones of technology. They're problems of how people communicate and collaborate, and they are also a factor of the amount of work people have; today's workload itself inhibits sharing something with somebody in another country in another unit in another function.

And so the companies that have been successful at using networks to share knowledge have developed some rules of thumb. For one, they've found that knowledge-sharing works best when there's a regular face-to-face encounter, every quarter or so. In between, people can communicate electronically or by telephone, but the face-to-face component is crucial.

The networks that work better are also actively managed; they're not just spontaneously self-organizing.

Somebody must feel responsible for whether communication is occurring on these issues across the divide. They also work better when people get something out of it that directly benefits the work they do; no one has time for altruism.

Du Pont has made a kind of art of networking because it had somebody who wanted to be the champion of networks. At one point, the company estimated that it had about 400 knowledge networks out of central R&D alone. Some were groups of people who formed a kind of resource network on a particular technical topic, like abrasion or adhesion. Some involved best-practice sharing, where participants identified a project they could do together. Some were task-oriented networks that were given a particular assignment to improve or fix something and would draw more people into accomplishing that task. The plant-maintenance network, for example, had the task of taking out a lot of costs. Eventually, more than 600 people got involved in pieces of that network, and they ended up taking out several hundred million dollars a year.

But one other comment about that. Networks based on things like best-practice sharing tend to fall apart quickly because there's no real continuing path. It's basically just getting together to pass along the practice. So these things come and go too.

S&B: *So how do you keep a network going?*

ROSABETH MOSS KANTER: Well, first of all, not all need to be kept

going. Some have their purpose and then die. But even for them you need to create roles in your organizations for people to serve as a kind of ambassador or diplomat whose job is to work with certain customers or for a certain product line and travel from place to place sprinkling seeds of knowledge. “Oh, yes, I was just in Chicago. And here’s what they’ve come up with that you can take to Hong Kong.” Here the technology infrastructure by itself isn’t enough; you need the human infrastructure.

On this point, I was really struck by a recent change at British Telecom. One of the people interested in knowledge management there declared that I.T., information technology, should now be called I.F., information flow. This person is much less interested in technology than in making sure that actual communication occurs between people.

This is one reason the face-to-face factor is so important. One of my globally connected models is an emerging company that’s been growing quickly by acquisition and that has worked hard on this factor. It has a weekly management call that involves people from every office for an hour. The phone call is scheduled at a reasonable time for Tokyo and London and New York, and in each place it’s held in a big conference room with a big screen. The call is backed

up by data transmission, so everybody can immediately see the same numbers being presented. Everybody involved knows that they have to make time for this call because it is an occasion to get knowledge quickly from one place to another. This has become part of the way of life at this company. It pulls people together and it keeps them moving.

S&B: *It sounds like it builds a unified culture, too.*

ROSABETH MOSS KANTER: It definitely helps build a unified culture. People don’t feel left out. At the same time, they know they’re being watched, and that creates an inducement to higher performance because you’re revealed to your peers from every place else. You can’t hide.

S&B: *But doesn’t that take a lot of time?*

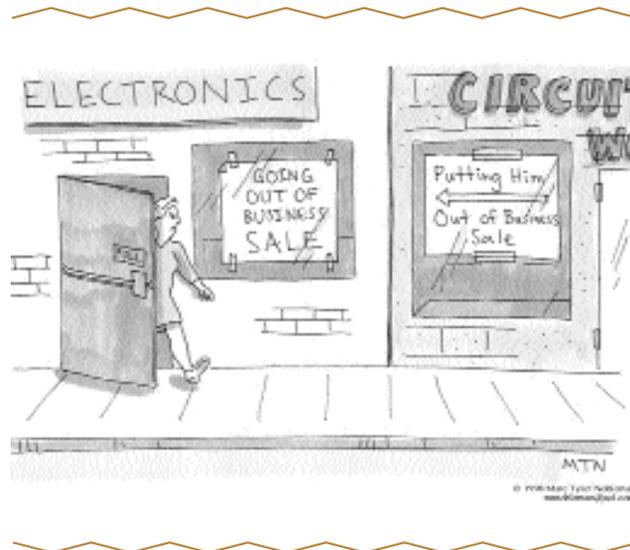
ROSABETH MOSS KANTER: It does take time, but we can’t have things easily in this world. And because it

takes time, you need high-energy people. In some of the companies that do it well, people have a very strong commitment to the company and its success, sometimes because they’re owners.

I’m struck by the fact that United Airlines has become the world’s biggest airline, and it’s the world’s largest employee-owned company. The pride that people have in being part of that airline is palpable. As are their energy and stamina. And you get that strength in part by being energized by the situation you’re in: It’s intellectually stimulating, it’s rewarding, you feel somebody pays attention to what you’re doing. There’s nothing more demoralizing than having nobody notice good performance.

So the successful culture is one that provides constant recognition and applause. At the same time, it breeds a restless dissatisfaction that keeps you challenging yourself to a higher and higher performance.

But, yes, it definitely takes time. That’s why I think that the French idea of how to move into the 21st century, with the productivity police coming along and telling people that they’ve now worked their 35 hours and are not allowed to work anymore — this is ridiculous to build a modern economy. **S&B**



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