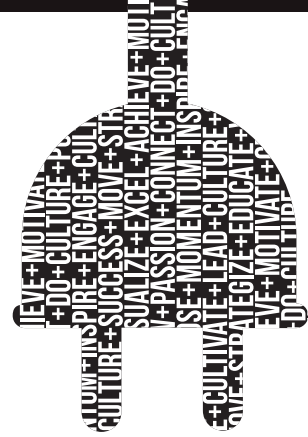




The Vertical Organization: Seven Steps to Building a High Performance Organization



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Table of Contents

- 1. What Is a Vertical Organization?**
 - i. A Vertical Organization Defined
 - ii. Seven Key Attributes of a Vertical Organization
 - iii. Why Many Organizations Operate at a Horizontal Level
 - iv. Why It's Difficult for Horizontal Organizations to Achieve their Performance Goals
- 2. It's About Leadership: Why Building a Vertical Organization Must Start at the Top**
- 3. It's Also About the Individual: Why Building a Vertical Mindset in Every Person is Essential**
 - i. What Is the Difference Between a Horizontal and a Vertical Mindset?
- 4. What Is the Correlation Between a Vertical Organization and Innovation?**
 - i. Why Is Innovation so Important?
 - ii. What Is Needed for Innovation to Occur?
 - iii. Horizontal Innovation
- 5. How Do Culture and a Vertical Mindset Relate to Performance and Results?**
 - i. The Bottom Line Results You've Been Looking For
- 6. The Vertical Organization Strategic Alignment Model**
- 7. Seven Steps to Building a Vertical Organization**
 - i. Vertical Business Strategy
 - ii. Vertical Culture
 - iii. Vertical Leadership
 - iv. Vertical Selling
 - v. Vertical Customer Service
 - vi. Vertical Team Effectiveness
 - vii. Vertical Organizational Capability
- 8. Quiz: Is Your Company Operating at a Vertical or Horizontal Level?**
- 9. About the Authors**

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1. What Is a Vertical Organization?

Every organization strives to achieve a culture of innovation, engagement and high performance that supports the type of growth we see in companies like Apple and Google. You can see this reflected in the vision, mission and values they put down on paper.

However, most organizations fail to take the important next steps to achieve that level of excellence, and instead operate at a level that tolerates mediocrity, contrary to what they've put down on paper.

When an organization achieves the level of excellence we see in companies like Apple and Google, we say they are operating at a Vertical level.

A Vertical Organization Defined

A Vertical Organization is an organization that is clear and committed to its core purpose: the vision, mission, values and the strategic business plan that form the roadmap to achieving excellence.

Often, when used to describe a business, the terms “Vertical” and “Horizontal” refer to whether the hierarchy is traditional, with a pyramid of roles and responsibilities (Vertical) or flat, with more autonomy and an absence of middle management (Horizontal). In this eBook, we will be introducing new definitions of the terms Vertical and Horizontal, based on how innovative, generative, focused, aligned, resilient, and customer-focused the organization is.

Seven Key Attributes of a Vertical Organization

1. Focused on its core purpose.

Employees feel that the work they do (i.e. the value they create) is meaningful, significant, and purpose-based. Team members are highly inspired by a common purpose and their part in making that purpose a reality.

2. Committed to excellence.

Mediocre performance and results are not tolerated. Instead, a strong leadership team inspires every employee to create excellence and value in each and every activity. Excellence is the discipline and the standard for all aspects of the business, from the way leaders lead to the way customers experience dealing with the business at every touch point.

3. Innovative and constantly learning.

There is a strong focus on creating something (such as a product, a service, or a customer experience) that has never been created before and on achieving unprecedented results. From the outside, it may seem as if the company is achieving the impossible. Of critical importance is the way the company continuously learns. It learns by looking inward and repeatedly assessing what is at a level of excellence and what it is doing that

is not excellent. The resulting energy, excitement and drive create a positive tension that reverberates throughout the company. Employees and teams are encouraged to explore, nurture and co-create to achieve extraordinary performance.

4. Accountable for results.

Companies operating at a Vertical level set an expectation of high performance, organization-wide. Innovation, excellence and accountability become the culture and the norm. All employees are supported and encouraged to become masters in their roles and areas of expertise, and 100% accountable for their results. High performers are nurtured, rewarded, mentored and recognized, and average performers are coached and supported to move into a higher performance category. There is no place for mediocrity, and people who are not committed to excellence either improve or leave the organization because they simply do not fit a high-performance culture.

5. Values driven.

While in many companies values are put down on paper, in Vertical Organizations these values are lived every day, from the leadership team down through every single employee. These values drive every process within the organization, from recruitment through to performance management and compensation. These values help to create a culture in which all employees believe they can give of their best in pursuit of excellence.

6. Collaborative.

Most of us have worked at companies where the silo mentality reigns. Teams and individuals closely guard their expertise, projects and knowledge. Collaboration across teams is nearly non-existent unless forced. However, in Vertical Organizations, there is a belief that teams can combine all the qualities needed for success that one individual alone cannot possess. Because all employees and teams are working together toward a common organizational vision, they feel they are on the same side. And because this collaboration is encouraged and rewarded from the top down, there is no more reason to protect individual roles, projects or expertise.

7. Inspired by strong leadership.

In a Vertical Organization, the leadership team is committed to a common purpose, vision and mission. Each leader personally lives and breathes a passion for excellence. They are constantly learning personally, as a team and organizationally. They are fully accountable for the performance of the business and do not place blame for poor performance on circumstances or others. More importantly, they are able to communicate the organizational vision so that all employees not only understands the company's goals, but also know their own roles, responsibilities and the specific actions they need to take in order to help achieve this vision.

“When leaders do their jobs well, employees do theirs well too. High performing leaders are an organization’s most valuable asset.”

7 Key Attributes of a Vertical Organization

- 1. Focused on its core purpose.**
- 2. Committed to excellence.**
- 3. Innovative and constantly learning.**
- 4. Accountable for results.**
- 5. Values driven.**
- 6. Collaborative.**
- 7. Inspired by strong leadership.**



Why Many Organizations Operate at a Horizontal Level

While nearly every business aspires to be Vertical, in reality many are stuck operating at a Horizontal level. In a Horizontal Organization, employees are driven less by the motivation to achieve something meaningful and significant, and more by fear. This fear can manifest on many levels, and can include the fear that goals will not be met, that the competition will win, or that they will lose their jobs.

A Horizontal Organization does not nurture collaboration or inspire employees to activate their creativity. Instead, in a Horizontal Organization, employees are focused on their own personal agendas, which often creates a competitive environment. There may be enormous activity and action, but instead of inspiring innovation, much of this activity is simply change for change's sake.

Is your company operating at a Horizontal level? Here are four common indicators:

- 1. Distractions.** Your employees are distracted and your managers are spending a lot of time dealing with small issues and problems when they should be focusing on your vision and goals.
- 2. Silos and Conflict.** People are not working well together and each department is guarding its own turf instead of working toward their common goals.
- 3. Arrogance and Egos.** There are a lot of egos strutting around believing they already know it all and are above everyone else. This indicates that people are closed off and not open to hearing ideas and suggestions that might be better than their own and that could improve the business.
- 4. Lack of Accountability.** Your employees are not taking full responsibility for their goals and their role in the company. Instead of focusing on improvement, they make excuses for poor performance and incomplete assignments and lament that they aren't paid enough.

Why It's Difficult for Horizontal Organizations to Achieve their Performance Goals

1. Unclear goals.

In Horizontal Organizations, goals tend to be confusing and unclear at both a general strategic and senior management level, as well as down through all levels of the organization. The organization may have too many goals due to a lack of focus and discipline and employees and teams often work in silos. In an organization operating at a Horizontal level, goals are often internally focused and not designed to add value to customers. As a result, employees tend to focus on “busy work” which does not necessarily move the organization forward, and customers may feel like they come last.

2. Reactive versus proactive.

Many organizations operating at a Horizontal level tend to be more reactive than proactive. Most resources are focused on dealing with internal distractions, putting out fires and problem solving. This leaves little time and energy for actually moving the company forward in a meaningful way.

3. Lack of communication.

Employees and leaders in a Horizontal Organization usually know that there is something seriously wrong with the business but are either afraid to speak up or feel that, even if they do, no one will listen or care. Challenging the status quo is discouraged so there is no reward for speaking up, even if it is for the betterment of the organization. As a result, even though many employees recognize problems or issues, nothing is ever done about them and dysfunctional systems and processes continue.

4. Change is confused with innovation.

In organizations operating at a Horizontal level, leaders often recognize that innovation is the key to high performance and success, but they confuse this innovation with change. As a result, a lot of time and energy is spent doing “stuff”, but this activity rarely results in moving the company forward. There is a poor return on investment for the amount of time, energy and resources spent.

5. A lack of clarity around roles, accountability and commitment.

Because roles are poorly defined or there is role conflict or role ambiguity, the structure in a Horizontal Organization tends to be confusing and employees are unclear as to what their responsibilities are, and how their actions contribute toward the success of the company. Because of this confusion or ambiguity, team members do not hold one another accountable for delivering results or living the company's values. Instead of focusing on results and continuous improvement, people make excuses for underperformance and incomplete assignments.

6. Lack of processes.

In Horizontal Organizations, there are poor or inadequate processes in place to achieve efficiency in many aspects of the business. This is true from business planning, communication, internal cooperation, problem solving and decision making through to employee development, succession planning, conflict management and change management. Overall, these companies lack the structure, design, processes, tools, policies and practices to achieve efficiency and excellence and, as a result, performance goals and deadlines are missed.

7. Poor employee development.

In Horizontal Organizations, time is not spent developing the right employees. Instead of rewarding high performers and making sure they are happy and engaged, and moving average performers up to a high-performance level, managers spend most of their time on low performers, thus inadvertently rewarding mediocre performance. As a result, high performers tend to move on to better opportunities and the company is left with more and more poor performers.

8. Lack of trust.

In organizations operating at a Horizontal level, there is a general lack of trust. There may appear to be a sense of harmony but this is often artificial. People tend to work in silos and guard their own turf. As a result, they are closed off and not open to hearing new ideas or suggestions that could improve the business.

9. Treating symptoms instead of solving problems.

In a Horizontal Organization, managers tend to think in a linear, tactical fashion and look for obvious and immediate solutions to problems. Because of this, when challenges arise, they often search for remedy in activities like team building and skills training or even restructuring. However, these activities don't address or solve the core problem; they only treat the symptoms. So even after the skills training or reorganization is complete, they find the same problems cropping up again.

2. It's About Leadership: Why Building a Vertical Organization Must Start at the Top

Building a Vertical Organization must start at the top. It's your leadership team that sets the vision, direction and culture for your organization, and then inspires and supports every manager and team member to achieve high levels of innovation, excellence and performance.

Without a culture and mindset of Vertical leadership that starts at the very top of the organization and is carried down through every leader and team manager, becoming a true Vertical Organization is virtually impossible.

At the core, every Vertical leader requires both a strong leadership constitution and leadership character:

1. **Leadership Constitution** is the core from which leaders draw purpose, belief, fortitude and the drive to improve. This is the essence that compels true leaders to push on when others quit. It is the push and pull within leaders that Jim Collins in *Good to Great* says is, “an iron will and humble spirit.” While the titans of the past may have subscribed to the “win at any cost” mentality, leaders of the present and future must possess and utilize wisdom and grace in order to influence and harness today’s workforce.
2. **Leadership Character** is the essence and quality of a leader that engenders trust, goodwill and followership. History has recorded notable leaders who inspired millions with hate and destruction, but they were not great leaders. Character is what defines extraordinary leaders and sets them apart. They possess and lead with courage, integrity, compassion, and a commitment to getting things done. Deep abiding values, morals and ideas shape their focus, compass and judgment.

Six Key Attributes of a Vertical Leader

1. **Set the vision and direction for the organization:** Vertical leaders need to do something that team members cannot and should not do—set the vision and direction for the organization. In conceiving vision, a leader discerns trends, processes abstract insights and decides a course of action. Extraordinary strategic leaders see ideas and concepts others do not see. They are able to ask the right questions and are unafraid of challenging the status quo in order to extract the information they need. Then, with this information skillfully processed, they decide on a course of action.
2. **Lead by example:** Vertical leaders don’t just “talk-the-talk”, they “walk-the-walk.” They understand that they can’t just promise to execute; they must demonstrate proven and measurable action and performance. They establish high measures of quality, set an example for others to follow, and set a standard for excellence. They are respected for their hard work and for championing high standards and consistently delivering on what they promise. Because of their own personal commitment to excellence and strong work ethic, they hold others similarly accountable.
3. **Innovative and constantly learning:** Vertical leaders are open-minded and are not afraid to take risks and challenge traditional decision-making norms and the status quo. Because of this, they are able to constantly generate novel and creative ideas and overturn conventional wisdom. As a result, they continually innovate, apply new concepts and ideas to the decision-making process, and generate further ideas for radical change.
4. **Values driven:** A Vertical leader exhibits a strong sense of character and is honest, trustworthy and reliable. Through their strong sense of character, Vertical leaders win the trust of others and inspire them to follow their lead.

6 Key Attributes of a Vertical Leader

1. **Set the vision and direction for the organization.**
2. **Lead by example.**
3. **Innovative and constantly learning.**
4. **Values driven.**
5. **Collaborative.**
6. **Self-governance.**



- 5. Collaborative:** Vertical leaders do not lead alone; instead, they set the direction and inspire others to participate and follow. They understand that it takes every team and every individual in the organization to truly achieve a culture of excellence and high performance. This type of collaboration is more than “getting along” or even becoming a high-performance team; it is a shared recognition by a group of people that they cannot possibly accomplish their goals without each other’s talents and viewpoints.

Extraordinary leaders pursue and build strong relationships and partnerships. They are personable and use their ease of conversation to build rapport, establish confidence and develop shared values. People enjoy being in their company, but also understand and value that these leaders earn trust by speaking with integrity and candor. To extraordinary leaders, collaboration is not simply an abstract concept. It is how they share leadership and how they lead.

- 6. Self-governance:** Vertical leaders understand that managing others begins with first knowing and leading yourself. They have learned the wisdom of governing themselves through self-control and self-discipline. Vertical leaders build trust through truthfulness, consistency, reliability and transparency. While Horizontal leaders tend to mismanage their emotions, Vertical leaders restrain themselves through patience. Through experience, failures and challenges, they apply wisdom in tempered, insightful responses.

3. It’s Also About the Individual: Why Building a Vertical Mindset in Every Person is Essential

One of the most common mistakes companies can make, and one of the main roadblocks to moving from operating at a Horizontal to a Vertical level, is the failure to realize that a company is made up of individuals. The only way to create real and powerful organizational innovation is to first align the mindset of every individual to Vertical thinking. Not just the executives, not just the managers, but every single employee.

The mindset of each and every leader and employee determines what they see, what they feel, how they think, how they act, and the outcomes they achieve.

The mindset of each and every leader and employee determines what they see, what they feel, how they think, how they act, and the outcomes they achieve.

What Is the Difference Between a Horizontal and a Vertical Mindset?

The Horizontal mindset:

The vast majority of people tend to have a more Horizontal mindset. When people have a more Horizontal mindset, their main focus in life is to survive. They are likely to have two key motivators that drive their behaviour: fear and greed. Fear prevents them from doing what they want to do, and greed gives them a sense that something is always missing. So, despite the fact that many people with a Horizontal mindset may be achieving success at work and financially, they still have a sense that something is missing.

Individuals with a Horizontal mindset share some common characteristics:

- Their main focus in life, at a most fundamental level, is to “survive”.
- Two key motivators tend to drive their behavior: fear and greed.
- They are constantly waiting for something better to come along, which means that, in their minds, right now is not as it should be. Therefore, they complain about what is happening now but do not have the right tools and mindset to do something constructive about it.
- They are perpetually living in the past (this is the way it used to be) or attached to the future (this is the way it should be), and are rarely living in the present—where they can do something constructive to create a better future. The past tends to define who they are today, and they constantly look to the future in terms of waiting for something bigger and better to happen.

Can people with a Horizontal mindset achieve success?

On the outside, many people with a Horizontal mindset can appear to be successful. They can achieve what society defines as success. They can reach high levels of management, run large corporations and accumulate masses of money and all the toys needed to demonstrate this success. However, they are never satisfied. This “success” is never enough. They will always have a deep underlying sense that something is missing. This stokes their desire to go out and get more, whatever it may be to fulfill their needs. And as long as they are driven by fear or greed, they can be good, but never great, leaders.

The Vertical mindset:

An estimated less than 15% of the population has a Vertical mindset. When people have a Vertical mindset, their purpose, their core motivation, is moving forward and creating something new. They jump out of bed in the morning, seven days a week, inspired to create something that is significant and meaningful to them.

What they create may be something of personal significance and meaning (like an artist who creates); it may be something that is socially significant and meaningful; it may be something that is significant to a business (like the entrepreneur who creates a product or service that adds utility to our society); it may be something that makes other people happy (like the person who serves you coffee and delivers you a remarkable service experience that brightens your day).

The more Vertical people are, the more authentic they are. They aren't focused on survival so they don't have to manipulate situations or others to get their way. They are just being who they are and giving 100% at each moment.

Individuals with a Vertical mindset share some common characteristics:

- They operate more in the present. They do refer back to the past to learn, and do look to the future to create a vision and goals, but they live and operate in the present.
- They care more about the whole and see the big picture; they have a huge capacity for caring. This is because they are less focused on survival—where the primary goal is in protecting oneself—and are able instead to be compassionate and empathetic with others.
- They are more alive and energetic and more likely to be engaged, productive and successful.

Vertical Organizations enjoy higher levels of employee engagement than Horizontal Organizations.

Horizontal Perspective	Vertical Perspective
Ego-driven and focused on the self (fear and greed—about “me” feeling good)	Altruistic and focused on others (service to others—about doing good)
Life is hard and complex	Life is simple and clear
Insecure	Secure
Pessimistic	Optimistic
Not empowered	Empowered
Disengaged	Engaged
Unrestrained/impulsive	Controlled/self-managed
Blind to personal growth	Self-aware
Internally focused	Externally focused
Arrogant and superior	Giving and collaborative
Dissatisfied	Inspired
Defensive and negative	Open and receptive
Pessimistic and exclusive	Optimistic and inclusive
Lacking	Fulfilled
Taking	Giving

4. What Is the Correlation Between a Vertical Organization and Innovation?

Innovation is a key characteristic of an organization operating at a Vertical level and is what supports the type of growth we see in high-performing organizations like Apple, Google, Samsung, 3M, and Johnson and Johnson.

Why Is Innovation so Important?

Innovation is not a “nice to have;” it’s a necessity. Innovation is essential in order to create, move forward and lead the industry. If you are not innovating and unique, you become a commodity; you become cost-sensitive and your margins are squeezed.

Typically, the executive team sits down and crafts a vision, mission and purpose statement designed to inspire innovation. Unfortunately, simply putting your vision, mission and purpose statement down on paper doesn’t work; nor does telling people they need to innovate.

What Is Needed for Innovation to Occur?

Before any type of meaningful or significant innovation can be achieved, you have to first create a Vertical culture and mindset that is focused on excellence and then every employee in the organization needs to be activated.

In a Vertical Organization people feel safe and this safety gives them the space to take risks, learn from experience, ask tough questions, challenge the status quo, and solve customer problems without asking for permission.

Organizations that achieve a culture of Vertical innovation are able to access the creative impulse that every employee possesses. Employees are energized, focused, inspired by something that is meaningful, and have the desire to constantly create, improve and move forward.

This type of culture produces innovation that is positive and collaborative. Employees and teams feel they are all working together to achieve a common goal and they are fully engaged with the task at hand, regularly learning from past experience and focused on creating a better future.

Horizontal Innovation

In a Horizontal Organization, people still innovate, but the motivation is different. They are driven less by the motivation to achieve something meaningful and significant and more by survival needs, such as keeping out of trouble, and fear. Employees are focused on their own personal agendas to ensure their own success, which normally results in intra-company competition. A Horizontal Organization does not nurture collaboration or inspire employees to activate their creative impulses. Employees are too busy looking out for “number one.”

Neuroscience 101

When people perceive that they are under threat, even a non-physical threat, the amygdala section of the brain is hijacked; this is known as the fight, flight, freeze response. This response reduces blood flow (and the accompanying oxygen) to the prefrontal cortex, which is responsible for logical and rational thinking and effective problem solving. Instead of fueling the prefrontal part of the brain with oxygen and healthy chemicals, the blood and oxygen are sent to the muscles that are most needed to deal with the perceived threat. This “starvation” of the prefrontal cortex thus diminishes the person’s capacity for critical, creative and intuitive thinking. In short, when employees experience stress and discomfort and are in “survival” mode, their innovation, collaboration and initiative are stifled.



Change Is Not Innovation

While you may see quite a bit of change in a Horizontal Organization, it's important not to confuse that change with innovation. Innovation is about moving forward. When organizations are constantly innovating, they stay ahead of the game. It is difficult for the competition to catch up; as soon as they do, the Vertical organization is already on to the next phase.

With change, on the other hand, you can move a lot of things around but not actually move forward. You may change some elements of a system without actually improving a process, or achieving a goal. You are still in the same spot, but you've spent a lot of time and effort to get there. Unlike innovation, change will use a lot of energy and create many issues and distractions, but at the end of the day you find that nothing much has moved forward. Change for change's sake can be very frustrating for employees; it can ruffle a lot of feathers, upset people and even create fear, distrust and insecurity.

5. How Do Culture and a Vertical Mindset Relate to Performance and Results?

Many executives mistakenly think of mindset and corporate culture as intangible concepts. So when their companies experience challenges, they turn to what they consider to be more concrete solutions like team building or skills training. Unfortunately, these activities are akin to putting out little bush fires without considering the current climate or environment. They tend to address only the symptoms and not the core challenges.

In fact, a Vertical culture is a tangible concept that can be both quantified and measured. By working on your corporate culture, you are addressing a core cause of any problems you may be experiencing, as well as accessing the solutions for real growth and the business results you want to achieve.

The Bottom Line Results You've Been Looking For

Because corporate culture deals with every aspect of your business, with an improved corporate culture you can expect to see measurable increases in productivity, revenue generation, retention of high performers, and profitability. You can also expect the following behaviours and results to become the norm in your organization:

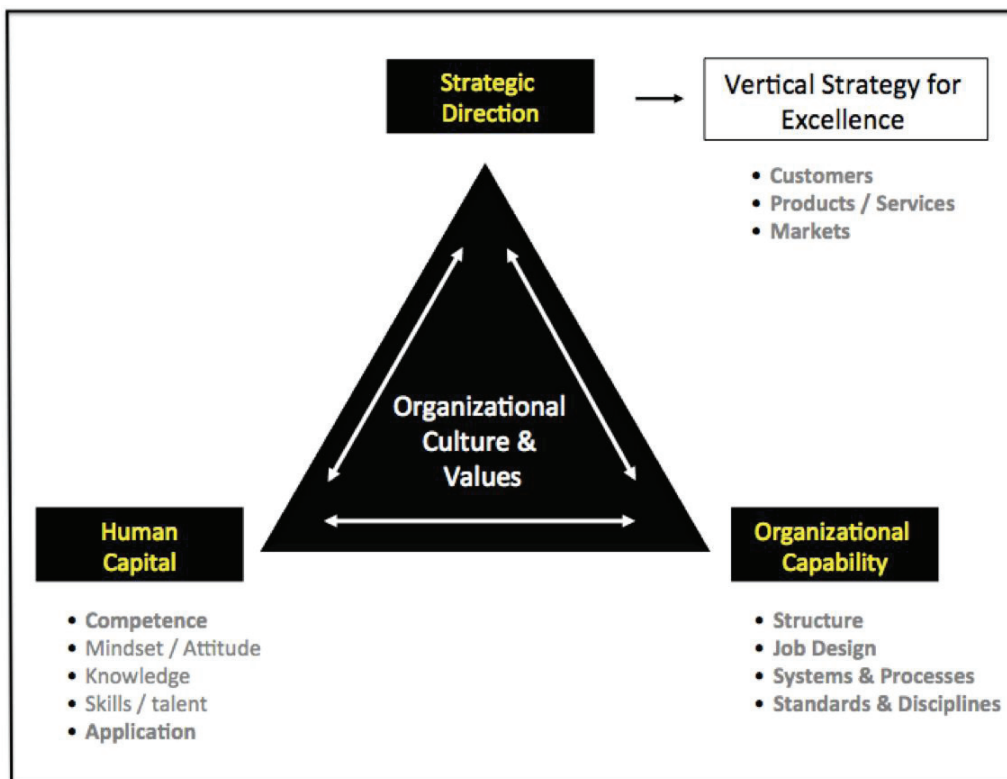
- Significantly improved engagement, alignment, and team collaboration
- Committed and engaged employees working toward common goals
- Loyalty and commitment to the vision and values of the organization
- People who are happy and proud to be part of something "big" that they are creating together
- More satisfied customers that keep on coming back
- Increased efficiencies and productivity
- Overall improvements in profitability and market share.

Companies with Vertical cultures tend to be the companies you hear about in the news. They are the market leaders and market shapers. They are constantly creating new products and, in some cases, reinventing the future. They are innovative and pioneering and add significant value to society. They are the companies creating breakthroughs in medicine, changing the way we communicate and eliminating gridlock in our cities.

6. The Vertical Organization Strategic Alignment Model

To build a Vertical Organization, you have to stop thinking in terms of “this area” or “that area.” Instead, you must look at the organization as a whole and ensure that you take the proper steps to confirm that every aspect is in alignment.

For example, consider the Strategic Alignment Model below. The model illustrates the different areas of the organization that need to be in alignment in order to provide a high level of value to customers while at the same time maximizing profit and growth.



All aspects of this model must be in alignment for the business to be able to thrive and prosper. The organization needs to ensure that the Organizational Capability, the Human Capital, and the Culture and Values are aligned with its Strategy.



7. Seven Steps to Building a Vertical Organization

Step 1. Vertical Business Strategy

Creating a clear and differentiating strategic plan is an essential first step to building a Vertical Organization. However, it's not good enough to just put your corporate strategy on paper and leave it at that.

The reality is that only 5% of the typical workforce understand their company's strategy, 85% of executive teams spend less than one hour per month discussing strategy, and only 25% of managers have their performance linked to strategy.

You must activate your business strategy across the entire organization using three stages:

- Conduct a business environmental scan in order to fully understand the environment within which you are competing. For example, you need to have a thorough understanding of:
 - Your competitors' value propositions and their strengths and weaknesses.
 - Your customer base and what you need to do to provide them with exceptional value.
 - The whole environment within which you are operating (both internally and externally).
- Conduct a strategic planning session that is not a single event that takes place in a vacuum, but takes into account every area of the organization, including your strategic direction, your strategy for competitive advantage, your unique value proposition to your targeted customers, the markets in which you will and will not operate, your organizational culture and values, your human capital and your organizational capability.
- Execute your strategic plan and put the right culture, processes, practices, and disciplines in place to cascade your plan throughout the organization, measure performance, and hold the business accountable for execution. This is always the most difficult step and requires the highest level of focus, discipline and accountability.

Step 2. Vertical Culture

Once you have developed your business strategy, you need to have a culture and practices that engage every employee to be committed, accountable and inspired toward achieving a common goal.

If your business were a computer, your corporate culture would be its operating system. You have to have the right operating system in place; otherwise, your software programs simply won't work. It's the same with your business. If you don't have the right Vertical mindset and culture in place, you won't achieve your performance goals—no matter how much time and money you spend.

Step 3. Vertical Leadership

No single group of employees has greater control over the success of an organization than those in leadership and management positions. This group plans and directs the course of the organization, controls the resources, manages employee performance, establishes the culture of the business, and is ultimately accountable for the organization's financial performance. Inspiring leaders drive inspired cultures and inspired cultures drive prosperity.

Creating an organization that operates at the Vertical level requires a strong executive and management team that has the right Vertical mindset in place, and is focused on influencing and inspiring excellence. In fact, if your executives and leaders don't have the right mindset, no amount of leadership development and skills training will ever make a difference because distractions such as resentment, fear of change, or silo mentality will prevent them from being open, interested and fully committed to moving the business forward.

However, if you focus on building the appropriate leadership culture and mindset first, fears, resentment and confidence issues will be transformed into opportunities for growth, greater team cohesion and collaboration, and a leadership team that is engaged and ready to inspire action.

When your leaders have the right outlook and truly apply practical leadership and coaching, not only do team members feel encouraged and supported, but they know that their roles and work matter, which results in higher levels of motivation and independence to work toward their goals. This frees up leaders to move away from fire fighting, and focus instead on what they are supposed to do—be strategic and improve team performance.

Leadership doesn't just happen. But when it's done right, the result is highly committed and engaged teams, with high levels of communication, workflow and productivity.

Step 4. Vertical Selling

While it's common knowledge that a high-performance sales team is vital to revenue and success, many companies simply go from one sales training program to another, getting the same results each time—short-term rises in performance that quickly drop off as sales people drift back to their old habits and routines.



**"CULTURE IS THE DRIVER
OF ECONOMIC PERFORMANCE."**

Once again, if your sales people don't have the right Vertical mindset in place, no amount of skills training will ever make a lasting difference. Your sales team may lack assertiveness, commitment or focus, but if you first concentrate on building the right sales culture and mindset, fears of rejection and confidence problems go away. Your sales team will become more confident, assertive, receptive and accountable—and will be able to deal with the different challenges facing them.

Teams that have achieved sales excellence operate from a customer mindset. They understand the needs and motivations of customers and partner with them to create a result that is mutually beneficial. Vertical selling is all about relationships and partnership.

Step 5. Vertical Customer Service

The essence of customer service excellence is the ability to create a memorable and positive experience. This experience must be unique to your organization and consistent at every touch point, whether it's on the phone with a representative, in person at the front desk, or speaking internally with the accounting department.

In order to deliver this level of customer service, a Vertical mindset and culture is, again, required. Only then will your customer service teams understand that a great service experience is not created simply through applying some skills, but comes from the energy and core essence of each person.

Service excellence is the ability to create a connection with the customer in which they feel you genuinely care about them and the fulfillment of their needs. This generates the superior service experience that causes them to come back for more. It creates the buzz and reference base that every company wants.

Step 6. Vertical Team Effectiveness

The key to delivering excellence lies with your teams' ability to work effectively and collaboratively in every aspect of the business. To improve the engagement, alignment, collaboration and performance of your teams, the right mindset and culture must first be in place.

If your teams don't have the right mindset in place, no amount of team building activities or team effectiveness skills training will ever make a difference because your people may still not be engaged or fully aligned with your organization's vision, values and goals. However, if you focus first on building the right team culture and mindset, you will find that your teams come together in a completely different way.

With a Vertical team, you will see:

- An almost immediate increase in productivity.
- Improved alignment and commitment to the team's overall performance.
- A complete change in energy, attitude and internal team interaction.
- Clear commitment to the rules of engagement and what is expected of each team member, along with an understanding of the consequences of breaking the rules.
- A change in the way the team is managed. Instead of someone from the outside having to manage behaviour, the team becomes self-managing. Each team member helps to monitor and support each other to achieve higher performance.

Step 7. Vertical Organizational Capability

Finally, in order to be truly Vertical, an organization must organize its entire operation to deliver on the strategy through an aligned structure, job design, standards and disciplines, and effective systems and processes. This includes:

- Understanding your specific and unique value proposition and how your organization provides value to your customers.
- Aligning all aspects of your supply chain, including people, processes, practices, policies, procedures and activities, with your strategy.
- Measuring your performance so that you are able to understand and sustain the highest level of excellence in the delivery of your strategy.

To ensure your organizational capability is aligned with your strategy, an audit of the overall effectiveness and contribution of each function is recommended:

- Is your recruitment and selection system as effective as it needs to be?
- Do you have a positive employer brand?
- Is your performance management system aligned with your strategy?
- Does your compensation system drive the kinds of performance you are seeking, or does it actually contradict your strategy and customer promise?

8. Quiz: Is Your Organization Operating at a Vertical or Horizontal Level?

To find out whether your organization is operating at a Vertical or Horizontal level, simply read through each pair of statements below and mark off which is most true of your company. If you have more ticks on the Horizontal side, then it is most likely that your organization is operating at a Horizontal level. If you have more ticks on the Vertical column, then your organization is more Vertical.

Note that few organizations are completely Horizontal or completely Vertical. Instead, most operate somewhere along a spectrum.

Horizontal Perspective		Vertical Perspective	
Unclear vision and mission	<input type="checkbox"/>	Clear vision and core purpose on which all employees are focused	<input type="checkbox"/>
No, or unclear, strategic plan: goals are not measurable	<input type="checkbox"/>	Strategic plan with clear measurable goals and objectives	<input type="checkbox"/>
Multiple goals	<input type="checkbox"/>	Limited number of goals	<input type="checkbox"/>
Unclear internal communication process	<input type="checkbox"/>	Clear communication process that incorporates all employees	<input type="checkbox"/>
Weak corporate culture	<input type="checkbox"/>	Strong corporate culture	<input type="checkbox"/>
Low retention rate	<input type="checkbox"/>	High retention rate	<input type="checkbox"/>
Operating at a low efficiency level	<input type="checkbox"/>	Operating at a high efficiency level	<input type="checkbox"/>
Unmotivated employees who are distracted and disengaged	<input type="checkbox"/>	Highly engaged employees who are excited to come to work	<input type="checkbox"/>
Poorly equipped to manage change	<input type="checkbox"/>	Well equipped to manage change	<input type="checkbox"/>
Not meeting revenue and profit goals	<input type="checkbox"/>	Meeting all revenue and profit goals/expectations	<input type="checkbox"/>
Teams are working in silos	<input type="checkbox"/>	Teams are working collaboratively	<input type="checkbox"/>
Employees make excuses for performance	<input type="checkbox"/>	Employees take accountability for performance	<input type="checkbox"/>
Managers are focused on solving small issues and problems	<input type="checkbox"/>	Managers are focused on their goals and company vision	<input type="checkbox"/>

9. About the Authors

Andrew Lindesay (M.Ed. Psych) and Eitan Sharir (B.Comm., Hons.) are business strategists, corporate culture consultants, leadership coaches, and the principals at Dynamic Achievement Group. For more than 20 years, Andrew and Eitan have helped some of the world's leading organizations, (including London Drugs, TELUS, Mercedes Benz and Coca-Cola), build cultures of innovation and excellence.

To enable organizations to achieve the real and sustainable business results they are looking for, Dynamic Achievement Group has developed a complete Vertical Organization Program, which focuses on:

- Vertical Business Strategy
- Vertical Culture
- Vertical Leadership
- Vertical Selling
- Vertical Customer Service
- Vertical Team Effectiveness
- Vertical Organizational Capability

Dynamic Achievement Group is a corporate development firm comprised of highly talented leadership consultants, coaches and facilitators, each with their own area of expertise. By working with Dynamic Achievement Group, you will have direct access to highly specialized professionals who will provide hands-on involvement, guidance and coordination in every aspect of our relationship with you.



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