Knowledge Worker

Fit and Fitness: The Keys to Sustainability

(March 2017)

There has been a great deal of talk in recent years about "sustainability" as it relates to organizations. Yet, for all the talk, it sometimes seems like wishful (or wistful) thinking. However, I think sustainability is an eminently practical concern. In this month's column, I'll set out what I see as the two key elements of sustainability: *Fit* and *Fitness*.

Simply put, sustainability is the capacity to endure, to keep on going. The two key elements in an organization's ability to endure are *Fit* and *Fitness*. Consider the diagram below in Figure 1. It depicts a high-level view of an organization as an open, adaptive system. As we review it we'll get at the notions of *Fit* and *Fitness* in more detail. Take a moment to look over the diagram.

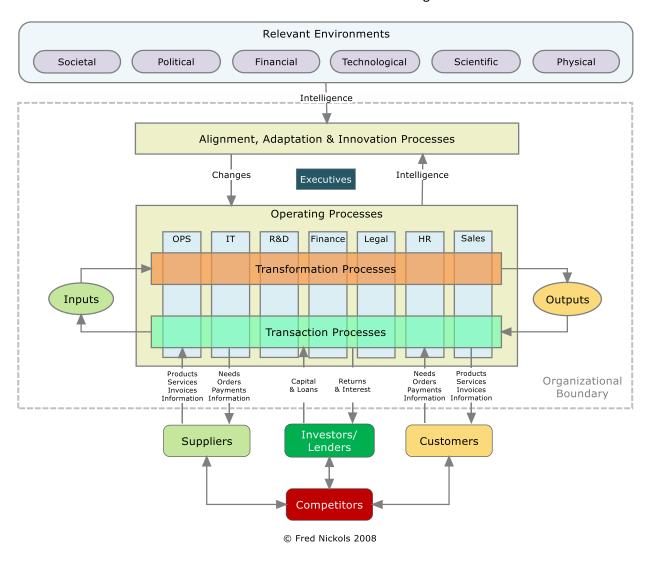


Figure 1 – The Organization as an Open, Adaptive System

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As the diagram in Figure 1 indicates, organizations receive inputs which they convert into outputs by way of transformation processes (e.g., manufacturing). Organizations obtain the inputs they require by way of transaction processes (e.g., payments to suppliers, salary and wages to employees, and return to investors to name some of the more obvious ones). Organizations also exchange their outputs via transaction processes (e.g., goods and services to customers in return for revenues). It is this ability to carry out transactions – to import inputs and to export outputs – that makes the organization an "open" system.

Together, an organization's transformation or production processes and its transaction or exchange processes comprise its operating processes. These cross over the boundaries of typical organizational functions such as sales, manufacturing, research, HR, finance, etc. The organization's executive cadre is ostensibly "above the fray" so to speak; they are in a position to ensure that cross-functional squabbles and boundary disputes do not impair these vital cross-functional, operating processes.

Fit comes into play in the context of the organization's alignment with its environment. Is it producing goods or services that are a "fit" with customer expectations and requirements? Are its prices competitive or do its products have features or benefits that support premium pricing? Are its sources of inputs secure and reliable? Is it attractive to investors? Can it attract and retain the talent necessary to its ongoing operation, expansion, improvement and innovation? Can it accommodate and adapt to economic ups and downs? Does it perform better than its competitors? These questions and many more can be used to assess the *Fit* of an organization with its environment.

Fitness comes into play in the context of what goes on "inside" the organization. Are its processes productive and efficient? Are its people engaged? Can it flex and adapt to meet changing internal circumstances? Does it continuously improve upon how it does what it does? Most important, does it keep track of and manage both its *Fit* and its *Fitness*?

As Figure 1 also indicates, in addition to its transformation or production processes and its transaction processes, there is a third set of processes – those that focus on the organization's ability to align itself with its larger environment, to adapt to changes or maintain that alignment, and to innovate – to drive changes internally and externally. These processes ensure *Fit* and *Fitness* on an ongoing basis thus ensuring sustainability.

Again, the executive cadre comes into play. It has the primary, direct responsibility for the alignment, adaptation and innovation processes. It relies on internal and external intelligence as the basis for driving the changes needed to ensure alignment, adaptation and innovation. In this way, the executive cadre is also responsible for the sustainability of the organization. And that is as it should be.

There you have it – sustainability in a nutshell. *Fit* and *Fitness* are the keys and, ultimately, it falls to the organization's executive cadre to see to it the organization's alignment, adaptation and innovation

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processes ensure its sustainability. Sounds simple enough, eh? Getting started is simple enough, too; all you must do is ask yourself a couple of questions and work hard to get good answers to them:

- 1. What provisions (e.g., policies, standards, procedures, processes) do we have in place for assessing the quality of our organization's *Fit* with its environment and the *Fitness* of its internal arrangements?
- 2. What do we have and what do we need in the way of intelligence, processes and change management capabilities that focus on alignment, adaptation and innovation?

If you have good answers to those two questions, you're probably in good shape. If you don't, you might want to dig a little deeper to see just how sustainable your organization really is.

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About the Author

Fred Nickols, CPT, is a knowledge worker, writer, consultant, and former executive who spent 20 years in the U.S. Navy, retiring as a decorated chief petty officer. In the private sector, he worked as a consultant and then held executive positions with two former clients. Currently, Fred is the manager partner of Distance Consulting LLC. His website is home to the award-winning Knowledge Worker's Tool Room and more than 200 free articles, book chapters, and papers. Fred is a longtime member of ISPI and writes this monthly column for PerformanceXpress. A complete listing of all Knowledge Worker columns and access to them is available here.