



# Leading Large Scaled Change: Lessons from Network-Centric Warfare



## SNAPSHOT

### SPEAKERS

Mark Boncheck ([Sears Holdings](#)), Jim Storer & Rachel Happe (TheCR)

### COMPETENCIES

Culture

### MATURITY PHASES

CMM1, CMM2, CMM3, CMM4



## TOP THREE TAKEAWAYS

This was a fascinating discussion that connected the lessons learned in military network centered warfare to social media in today's organizations.

1. **Recognize that customers are networked.** The military recognized that their enemy was networked. However, most corporations today do not recognize that their customers are networked. There is a sea of change happening in the marketplace, but many organizations are not acknowledging it. Organizations should take heed and not wait until they are forced to recognize what's happening in the marketplace.
2. **Shared Situational Awareness.** Rachel was intrigued by the military's use of network communication to drive efficiency when she first heard Mark's presentation at Compass Summit. In particular, she was fascinated with the idea of shared situational awareness<sup>1</sup> and the self-synchronizing aspect that truly changes organizational and communication structures in terms of its efficiency to align people.
3. **Adaptability is imperative.** Mark believes that a doctrinal way of thinking is missing in business today. Businesses have strategies and plans, but the strategies are often too broad (they do not tell you what to do). The plans tell you what to do, but they are not adaptive to unforeseen situations. Adaptability is imperative, which is why the military has adopted this notion of doctrine.

<sup>1</sup>Mark defined situational awareness as everyone seeing the same thing and that what they are seeing is constant with what everyone else is seeing. With situational awareness, everyone understands the situation in the same way.

## OVERVIEW

1. **Mark's doctoral work in the mid 1990s focused on the Internet.** He assessed the affect it would have on political participation in society. He came across the work of researchers who were looking at the origins of network centric warfare and the trends occurring within society and technology, with a particular eye to the effect that would have on the military in general. Mark found these ways of thinking to be utterly compelling.
2. **Mark is the Senior Vice President of Communities and Networks for Sears Holdings.** His role is to be a catalyst of change in the organization. He was hired by the CEO to apply network and community thinking to the reinvention of the company.
3. **New way of thinking about networks.** Mark's purpose behind his presentation at Compass Summit was to give a traditional, innovative, business-thinker type of audience a new way of thinking about networks. He wanted to help them adopt that mental model with an understanding of how to drive large-scale change. He wanted his audience to realize that if the military could adopt this kind of thinking, then any highly hierarchical organization could also adopt these best practices.
4. **Mark suggested conducting a search in Wikipedia on "network centric warfare".** Included will be what is termed: "The Tenets". Mark feels that these tenets perfectly encapsulate what he has been attempting to achieve within organizations. Due to the military context, he found that people paid attention to what was being said as it is not as easily dismissed. Basically, the tenets convey the following message:
  - a. Information sharing and collaboration enhance the quality of information and shared situational awareness. Shared situational awareness enables self-synchronization. What that means is that it does not require central command to issue an order for people to behave in a way that is aligned with the mission. This is ideally how an organization should function.
  - b. Self-synchronization, in turn, dramatically increases mission effectiveness. What this means is that a flow of robust networks is created, which improves information sharing. Add collaboration to the information sharing and you get better information and shared situational awareness. When everyone sees things the same way, it makes self-synchronization possible (which increases effectiveness).

## OVERVIEW, CONT.

5. **Mark shared an overview of how the military incorporated network centered warfare after 9/11:**
  - a. On 9/11, the US woke up to a new reality and a new enemy. The military knew how to fight an army, but they did not know how to fight a network. They (meaning a small group of thought leaders within the military) realized that they needed to fight a network with a network.
  - b. The military's first response was to network the technology. The first generation of network centric warfare was a shift from superiority of force to superiority of information; intelligence was needed to defeat the enemy, not force. That way of thinking gave rise to the tenets described earlier.
  - c. Equating this to organizations, most organizations begin this type of process by also focusing on technology. However, there are limitations to this approach, as they military also learned. They came to understand that as much as they needed to use a network to fight a network, they also needed to use a network to build a network.
  - d. What happened was that the technology was networked, but the soldiers were still fighting with the previous doctrine and the same training that they had before this doctrinal change. This is where General Petraeus made a name for himself by taking a community centric approach (which was different than the rest of the military, who were engaging in conventional warfare with network technology). He understood that this new era of fighting the enemy involved so much more. It is also about creating friends. He has also taken this a step further in his belief that it is not just about winning the hearts and minds of the people, but it is also about building capability in the community, as well as creating community leaders.
  - e. Given his successes overseas, the military pulled General Petraeus back to the US and put him in charge of an effort to not only completely revamp the military doctrine, but the whole approach to training. As a result, he created: "The U.S. Army/Marine Corps Counterinsurgency Field Manual", which involves an entirely new approach to training.
  - f. A key principle of this new doctrine from the field manual is: *"Soldiers and marines are expected to be nation builders as well as warriors"*. In Mark's opinion, that is truly revolutionary thinking.

## LESSONS LEARNED

- One participant wondered how this doctrine could be applied to organizations because doctrine is not ingrained in a typical organization's culture. Mark replied that the lessons are similar. The military had to make some significant changes in their military doctrine after 9/11. It took a while for the military to recognize the need for a new doctrine. That is similar to an organization. The difference is that the military has a precedent in their understanding of doctrine and a chain of command to support its implementation. Most corporations are not as good at following a chain of command.
- Mark was asked to put these principles of network centered warfare in perspective with his work within Sears Holdings. Mark replied that he first went the traditional route of identifying organizational values and then attempting to align the organization with the values. However, he soon discovered that it was not working. When he took a step back, he realized that they did not have shared situational awareness in effect. Therefore, he shifted his focus to the strategy. He developed an internal communication document that he called: "a strategic narrative". It is not so much the strategy in terms of a business plan, but more along the lines of the company's story.

In other words, Mark created a story and grounded it in the history of the company to show how they had time and time again reinvented retail from the catalogue to the department store to online. They are now simply forging into a new frontier to reinvent the company yet again. What that did was give everyone a way of understanding what they were doing in the context of the overall mission. All in all, it was a matter of using the company's common purpose as a way to create shared situational awareness.

- A question was raised regarding autonomy. In the military, the troops need to be able to determine if they can fire on the enemy in a military sense without approval from headquarters. So, the autonomy to act in this case is to perhaps have the ability to engage the enemy with rifle fire, but not the ability to launch a major missile attack and/or the ability to engage the enemy, but not in a civilian setting. In other words, doctrine clearly outlines where the soldier has autonomy and where he/she does not, which brings up the discussion of information. It is based on having autonomy if he/she has the appropriate information and can make the appropriate confirmations. If he/she does not, then they do not have autonomy.
  - Putting it in an organizational perspective, Rachel added that a staffer can engage with his/her customer, but they must then let everyone else know what was said and what was promised to the customer.

## LESSONS LEARNED, CONT.

- Mark shared that IBMs social media principles are a good example of what he would call doctrine. It does not spell out what can and cannot be done by an employee in the social media space, but rather it lists guidelines to think about before acting. In Mark's opinion, there needs to be more of this type of thinking.
  - Rachel added that one of the things that we do not do well in organizations is to put the onus of both rights and responsibilities on the individual because the company is afraid that the employee will not make the right choice. That fear prevents people from learning judgment.
  - Added another participant, it comes down to trust. Education systems need to be built to foster that trust relationship, particularly since people are hired for their skills vs. a trust factor.
- Speaking of judgment and trust, one participant asked how to know when a community manager is ready for the next phase of autonomy. Mark responded that he would let the community decide.
    - To illustrate this point, Mark explained that they have a leadership program where MBAs advance into leadership positions within the organization using a type of tiering model for advancement. Their community consists of the business leaders. So, they went to the business leaders who would be hiring and managing these MBAs and asked: "What skills do you look for? If these were divided into three or four levels, what would you expect from level one, level two, level three, level four in these three pre-specified categories?" In other words, they specified the number of layers and the categories, but they then used the community to tell them what they expected.

## ROUNDTABLE SUMMARY

Leading Large Scaled Change: Lessons from  
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THECR  
**NETWORK**

## ADDITIONAL INSIGHTS

Mark recommended the book: [\*"The U.S. Army/Marine Corps Counterinsurgency Field Manual"\*](#) with forwards written by General David H. Petraeus and Lt Colonel John A. Nagl. There is a whole chapter in the appendix on social network analysis.