Consider two recent examples, among many, of zeroisation.

In Andersen's case, there does not seem to have been understanding that stakeholder relationships are so highly interconnected that if you have one rotten one it can destroy the value of all your relationships (with customers, partners, employees, society, owners)

In Baring's case there does not seem to have been an understanding that if you put even one person under extraordinary pressure without co-workers and knowledge systems looking after what he is doing, you risk zeroisation.

Whilst the final valuation straw may seem very sudden, both of these were system problems that compounded viciously over many quarters. It is as if the organisations had no map of valuation connectivity. To take another metaphor you wouldn't go in a plane unless you were confident that engineers had a blueprint of its weakspots as regularly maintained these, yet everyday most large organisations are sailing blind of where holes in their human relationship systems could zeroise their total worth.

We have interviewed about 100 experts in intangibles and people process connectivity and have come up with a map of 4 highly connected (system looping) territories:

1) Transparency of knowledge system the organisation is designed round – the territory that Baring's zeroised its value

2) A space for seeing how all your stakeholders value relationships with you – where Andersen zeroised its value

3) An area for analysing conflicts between stakeholder demands: where at first sight of a win-lose –ie where your organisation is liable to break a promise to one stakeholder to keep it to another more powerful short-term one - leadership action should be taken to change the whole system. Otherwise, this win-lose will likely spread viciously over time: increasing the cost to change and ultimately breaking the system

4) An area going beyond an organisation's current boundaries to its connections with partners' maps, or environmental responsibilities, or visionary futures.

The two slides illustrate the territories. What is not important is the language which should be reedited to be the commonest used across a particular organisation. What is important is that everyone has open knowledge to see these territories and how they interconnect, loop. Can an individual trace their work across the map: see which stakeholders they serve, how this connects with their expertise and activities, how this connects with the work of others? The stakeholder tree of The Map shown is appropriate for a corporate in a worldwide network of markets, but we can redraw The Map for any type of organisation including governments and NGO's. In zeroisation terms, the point to remember is that one bighole (or zero connectivity) anywhere across the 4 territories may zeroise the value of the whole.

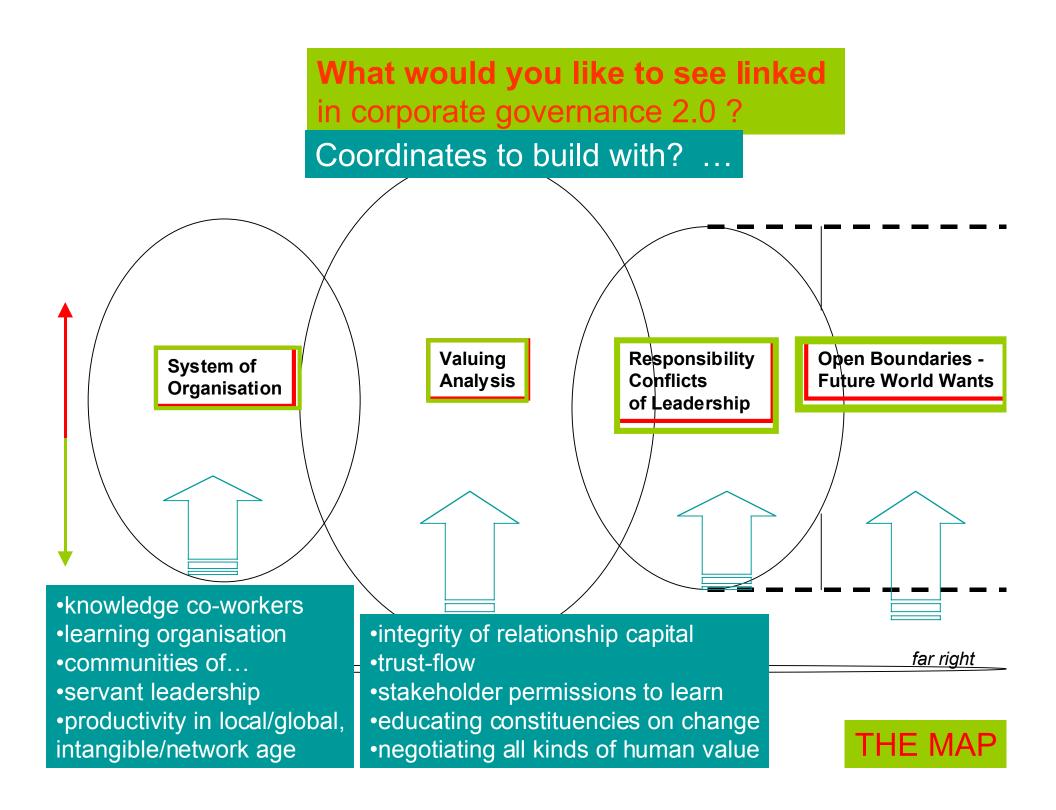
We believe most of today's economic and financial crises can be traced back to organisations not having maps. We see crises not only at single organisation levels but as system of system ones. For example, if any of the most desperate demands in the poor world are going to start being resolved, this goes beyond the capability of any single corporate, government and NGO. It will need open system of system mapping collaborations to make real progress.

What I have described in the risk sense of zeroisation , also applies in an opportunity sense. If all of the connections of a networked organisation are strong and win-win, then the value multiplies positively. All the maths of the system of relationships that corporate leadership should be navigating compounds multiplicatively over time quit unlike that assumed by the accountant's traditional separatist, static , linear ways of adding and subtracting quarterly numbers. Moreover, every traditional numbers system (quarterly numbers, time sheets, business cases) separates parts rather than connecting the whole. From our counter-perspective, Transparency Maps can start to compile experiential system rules such as: if one business unit had an exceptionally high performance last quarter, double-check it before celebrating it. That way you can avoid the destructive error of encouraging everyone to learn from the worst behaviours, as Andersen's culture persuaded many of its groups of people to learn from the Texas unit that viciously served Enron.

As well as being happy to try to clarify any of the above, I would love to know if you think anyone is working on system maps in this sort of area, or indeed any mapping tools from which mutual learning could flow; also is this a topic that any parts of the system's/learning organisation world might want further information posted. It seems to me there are some very powerful system qualities built into

looping learning all around doing their tour. I could gain from dialogue with (or reading up on) other mapmakers of organisation if you know of any in the learning organisation communities.

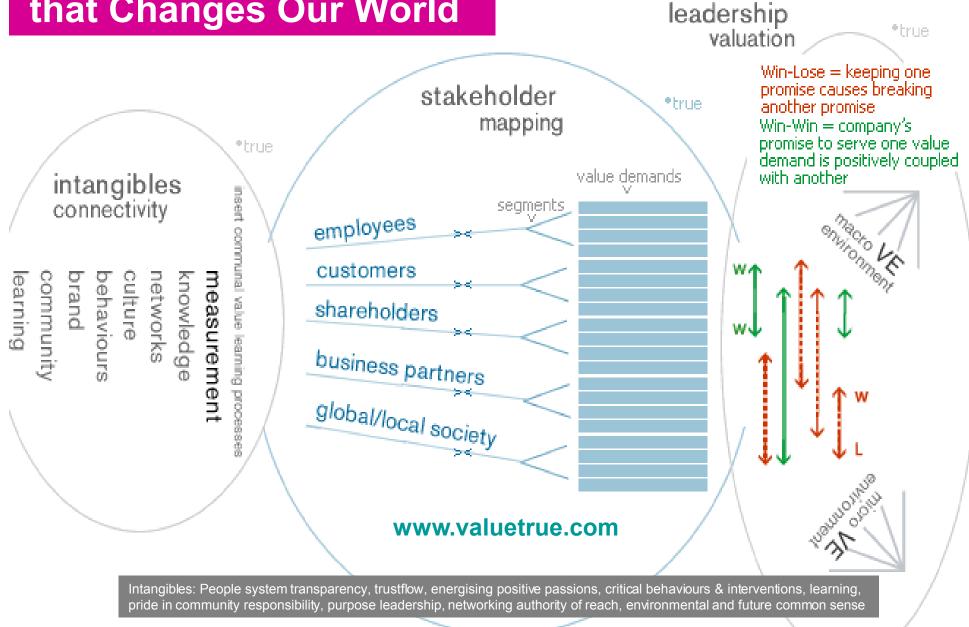
At www.valuetrue.com, our policy is to open source The Map. So that more detailed processes and contexts can be plugged into it and communal learnings around transparency catalogued. Our fieldbook will be published by Wiley, summer 2003.



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Tangibles