The Functional Silo Syndrome

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Editor's comment: Several months ago Phil Ensor coined a phrase, "functional silo syndrome." It caught on, and AME has a study group working on the problems of functional organization in manufacturing. You should hear from this group in future Target issues, and in future AME activities. Here Phil describes what he had in mind by the phrase.

People run away from organizational problems — try to avoid blame by association. People across the organization do not share common goals. Their goals are primarily functional. Communication is heavily top-down — on the vertical axis. Little is shared on the horizontal axis, partly because each function develops its own special language and set of buzzwords.

Indicators of the Functional Silo Syndrome

The overall organizational mentality is one of imposing control on people rather than eliciting commitment from them. This is manifested by:

1. Management style: Top-down, authoritarian bosses, rather than trusting, helpful, empowering leaders.

2. Organizational structure: A deeply-layered vertical (and horizontal) hierarchy designed to maintain control, rather than to foster trust and proactive problem solving.

3. Job designs: Narrow, boring, highly specialized jobs designed to be easy to supervise (control), rather than broad, challenging, fun, rewarding jobs.

4. Management-union relations: A high-confrontation, legalistic focus on narrow issues and on cumulative issues of the past, with information used as adversarial weaponry and with leaders on both sides chosen for their skill in these dealings — rather than building genuine mutuality by setting goals to overcome real problems.

5. Performance standards: Performance expectations kept exclusively within management’s domain so that unions (and others) feel that their role is to actively or passively parry management’s thrust. The focal point, the very heart, of the we-they relationship thus centers on the organization’s ability to learn, improve, and compete. Herein lies a significant opportunity to start and sustain the truly powerful engines of change — the opportunity to involve everyone in figuring out what reality is and what is needed. What is excellent? What is perfect? How does a world class competitor look? How does it behave? How good can we become? Why can there be no comfortable resting places along the way? Why can there be no finish line in this race?

Consequences of the Functional Silo Syndrome

The organization has a very damaging learning disability — it has not learned how to learn, that is, how to diagnose itself and solve its own problems. Instead, it repeatedly exercises in quick, easy error detection and correction activities which merely address symptoms. The underlying causes are the organizational norms which remain in place and quickly manifest themselves again and again.

The organization "behaves" out of a foundation of mistrust and lack of mutual concern. The genius of the people is wasted; individuals are uncommitted; groups are not cohesive. No shared vision exists for people to rally around.

Gaping social chasms exist on both the vertical axis and the horizontal axis. Both the intra-functional vertical relationships and the inter-functional horizontal relationships are separated by such a distance that people cannot see problems in context — too far from reality.

Thus the organization becomes deeply reactive, waiting for the hierarchy to approve. It should be proactive, that is, be able to avoid problems at lower levels where most work is done.

Some of the most disgruntled people are those "miserable middle managers" at both the corporate and plant levels. Never having had a real manager’s job, they become more and more turned off with their messenger roles. They remain in an agonizing trap where they do not broaden and deepen skills, and they are progressively set aside. The best ones leave.

Overcoming the Functional Silo Syndrome

Although we have many specifics yet to learn about this, we know a few things:

- The organization has to:
  - Learn how to learn
  - Learn how to engage in planned change and in vision-led change.

- Some of the actions this entails are:
  - Learning how to generate the energy for change
  - Developing a “critical mass” of key players committed to supporting the effort
  - Developing a goal-oriented vision of the new organizational model
  - Effectively sharing the vision so that people at all levels are involved in bringing it into being — People figuring it out themselves because every organization is unique.

1, 2Source: Professor Richard E. Walton, Harvard University.

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