# CycloPraxis in the Business World

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## INTRODUCTION

Perhaps you see one or more of these textbook personalities in your workplace, they're not hard to spot in most organizations:

- A top performer, someone who was instrumental in getting the business started now just seems in the way as often as he is adding value.  Your operating unit has grown and he has not by failing to adapt to today's pressing needs.

- The founder of the business is not leading or, worse, interfering with the ongoing business operation and hindering focused commercialization of the most promising ideas.

- Your most successful salesperson in big tough accounts just cannot seem to get a new product category going.  Other sales reps, in contrast, have gained traction with their accounts and are successfully closing sales.

- Old guard experts on staff are rebelling against a new manager's efficiency initiatives and work quotas

- A top developer with a solid reputation for driving quality and timeliness in your mainstream product line is suddenly struggling with an assignment to productize a new idea.

    Nor are these situations limited to corporations and the manufacturing world

- 'bureaucracy' that inhibits the free delivery of nurturing care frequently frustrates caregivers and educators.

- Small businesses located on Main Street USA frequently buckle and fold from the challenges of myriad activities associated with startups during the first few years

- Professional partnerships unwind as partners discover different motivations and conflicting interests.

Traditional explanations often oversimplify what happened:  Andy didn't grow with the business…  Charlene lost her sales touch…  Ellen just doesn't understand…  Chuck's skills are out of date…  Peter's creativity, judgment, flexibility … need development.  .  Surely there must be better explanations!

The traditional match between worker and job has been function:  operations, manufacturing, marketing, finance, sales, development, legal, nursing, teaching, plumbing, retailing, etc.  There are plenty of professional self-administered tests of employment functional fit and employment propensity.  With these tools, one can learn whether they are suited to be an electrician, a chemist, an engineer, an educator, a lawyer, etc.  Business schools organize their classes this way, help wanted ads are organized this way, and career ladders are designed this way.  Yet the miss-matches above have no discord in job function.  There must be another dimension.

*CycloPraxis* gives us a way to understand this unsolved dimension of fit between workers and their work.  "*Praxis*" is one's "customary practice or conduct" meaning the way a worker naturally does things.  Prefacing with "*Cyclo*" aligns a worker's praxis to the stage in a *business unit's\** overall evolution: *Authoring, Building, Capitalizing, Diversifying, and Extending*.  In the following sections of this article you will see how:
- The Author praxis works best initially and only initially;
- The Builder praxis works best during the ramp-up of a business unit or project;
- The Capitalizer and Captain praxes work best during a business's profit making or resource optimizing years;
- Diversification is simply a re-application of Authoring and Building; and
- The Extending praxis of Experts, Empathizers, and Educators is essential for continued customer success.

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\* *Business Unit* is a term used in this article and may mean company, division, branch, store, practice, class, clinic, floor, or other similar profit or resource center.  Business unit could even be a non-profit, a utility, a government agency.  Individual business units might combine together to form medium or large organizations.   Elsewhere the term *Customer* can also be interpreted more broadly as patient, client, student, and consumer, etc.  It is important to apply these terms broadly.

## WORKERS AND THEIR SEMI-CONSCIOUS WORK STYLE PREFERENCES

Most people are only slightly aware of their semi-conscious work style preferences, which when taken together form their praxis.  Asking targeted questions can capture these preferences.
- How do you feel about team solutions?  Some workers are enthusiastic; others have little interest.
- Do ideas, accomplishments, or working environment matter more to the business?  Different workers in the same business unit will give different answers.
- Is "change" an opportunity, potentially threatening, liberating, or unwelcome?
- Do you prefer predictability or risk taking?

Likely you've noticed that different people around your work environment seem motivated to contribute with semi-conscious work style preferences [praxis] often different than yours.  When handed a project, some might design the process first, others jump right in looking for the solution, while still others study from many angles not sure where to begin.  Obviously it is important to match the worker's praxis preferences to the requirements of the job at hand.  CycloPraxis match is just as profound as matching someone who loves to sell to a sales job or someone who is passionate about technology to a research position.  A tool is needed; CycloPraxis is the tool.

One begins to get a sense of how well employees' working styles and interests are leveraged to support company needs from common, everyday situations. For instance, Bill always thrives on a challenging new project while Charles avoids even the slightest change.  Ann is always coming up with a new idea … never sitting still; Ellen on the other hand enjoys educating about the same idea to student after student.  Cindy seems to delight in being the curator of processes improving them gradually over time, yet Barb wants the excitement of aggressively changing anything even slightly ineffective.  Bob and Dan seem to focus on their new program, blind to the sensitivities of people around them; Andrew loses his focus whenever he has another idea.  Charles avoids moving forward until everyone affected is in agreement, sometimes missing deadlines; Bill and David get anxious about lost time and worry about accomplishment far more than everyone's satisfaction.  Edwin is passionate about his narrow area of expertise; Bob meanwhile disdains any particular expertise preferring instead to be always involved in new learning experiences.

Business units to seeking to evaluate their employee base use many popular personality assessment indicators and tools, the most common of which is Meyers Briggs.  The result is usually an appreciation of an employee's *type,* but a lack of any new insights of how, where, and when to use *type* to simultaneously maximize job satisfaction and contribution to the business.  CycloPraxis includes how, where, and when recommendations.

Our observations of workers preferences permit us to group them into 4 meaningful praxes.  The first praxis is made up of a small percentage of people that are always having fresh new ideas.  A smaller percentage of those idea people go on to champion those ideas year after year until they are proven correct.  Further observation identifies a second group of people who seek challenging accomplishments around unsolved problems and who see them through to completion with unwavering focus to task.  This second praxis thrives upon getting-it-done, whatever 'it' is.  Upon completion of 'it', they simply look for another assignment.  The second group rarely has the original idea and if called upon to propose the new idea might struggle to muster the appropriate spontaneous creativity.  A third praxis – and by far the majority -- thrives when there is predictability and a defined structure in which they contribute to the profitability or effective resource utilization of the business unit.  They enjoy situations where their output is measured and often tied to pay.  Key players are often making incremental improvements in processes, products, efficiencies, yield, and costs.  A fourth praxis enjoys work environments where they can apply their expert knowledge, solve the problems of customers, or engage in training.  This last praxis creates lasting value with their contribution.

A very meaningful correlation has been found between these praxes and the life cycle stages of a business unit.  Once names are established for the life cycle stages of a business unit, we will have names for the praxes.

## REFRESHER ON AN INDIVIDUAL BUSINESS UNIT'S LIFE CYCLE

Consider a model of four cycle stages for any individual business unit. The first lifecycle stage is <u>Authoring</u> [A – for short].  This is where an innovative idea is championed and developed and where the business is initiated. The second stage is <u>Building</u> [B].   This is when innovations become products, early customers partnerships form, markets explode, operations begin, finance and quality and human resource functions begin, first processes are initiated.  Next comes the need to maximize output in a stage called <u>Capitalizing</u> [C].  In this stage the business unit reaches its full potential, generates the most substantial profits or best resource utilization, repeatedly wins customers and delivers maximum value.  Since all contributions someday diminish in value, the smart business will begin <u>Diversifying</u> [D] by leveraging the rewards of capitalizing business units.  In effect, diversification is simply starting the authoring and building all over again in what will eventually become another business unit.  Finally, every business unit reaches its peak and begins a long and slow <u>Extending</u> [E] stage. Marketplace rewards erode as demand falls and remaining competition intensifies due to standardization, saturation, and better performing alternatives.  The business unit focus shifts from customer acquisition to customer retention.  Knowledge experts and appreciative customer service are key volume drivers for sustained business.
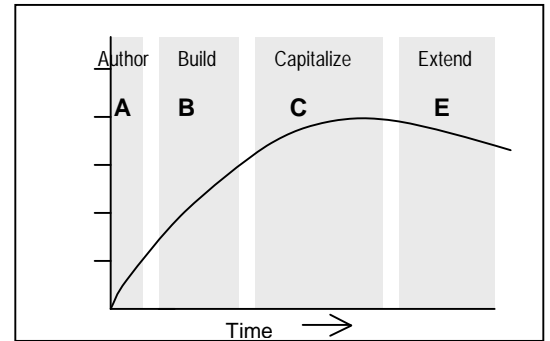


Basic Life Cycle model with ABC and E stages. Diversifying [D] should occur during Capitalizing

The concept of the lifecycle of a business unit is not new.  [See a related article [13] titled  "Research related to Company Lifecycles and its Application to the Study of CycloPraxis" for further discussion of prior work in business lifecycles.]  In the management science literature of the past few decades, the A-Authoring stage is frequently referred to by synonyms:  Start-Up, Infancy, Survival, New Venture, Creativity, Entrepreneurial, and Inception.  The B-Building stage has synonyms: Expansion, Direction, Adolescence, Take-Off, and Growth. The C-Capitalization stage is called:  Maturity, Stability, Professionalization, and Delegation.  At this point, most references in the literature suggest the firm enters a diversification stage – the same label.  This is an accurate assessment from the perspective of the entire firm.  CycloPraxis finds more value in tracking a single business unit, so the stage of interest is E-Extending for which the literature uses the unflattering label: Decline.

The preceding lifecycle discussion is optimized around the manufacturing corporation.  Nevertheless, the same lifecycle concepts can be found in many other business types.  Consider a professional practice.  The Authoring phase is trivially short; Building – practice startup -- must still occur.  Then the professional settles into a long career of capitalizing.  The extend phase may be short [sale of practice] or long [services offered part time for little or no fee while in active retirement].  Or consider a Main Street USA business that is a franchise of some established chain.  Generally the business owner goes the franchise route because they have anxieties about the building phase and the franchise package permits capitalization to happen sooner.  Watch for a companion paper "CycloPraxis applied to Community Businesses and Services"

## UNDERSTANDING EACH CYLCOPRAXIS BEHAVIORS

Praxis once again is one's customary practice or conduct" meaning the way a worker naturally does things. Synonyms include: habit, operating style, preference, and personality trait, instinctive behavior, and comfort zone. "Cyclo" aligns a worker's praxis to the stage in a business unit's overall evolution:

The following paragraphs contain in depth descriptions of each the business life cycle praxes -- Authoring, Building, Capitalizing, Diversifying, and Extending.  The focus here is on the workers semi-conscious work preferences, not the needs of the business unit.  Nevertheless a close correlation with the needs of the business unit is easily noted.

The *authors*' -- entrepreneurs, architects, and visionaries -- greatest strength is the ability to conceive and champion an idea.   Much of America's continual leadership in innovation can be attributed to one or more nurturing climates for the authors of ideas, innovations, and new institutions.  Authors are risk takers, relatively unstructured, revolutionary, bold, and hold a stubborn persistence to their own ideas.  Authors are most fruitful when they and their idea have little organizational grounding.   Many feel more comfortable working outside the processes of the large firm; consequently they initiate many startups with VC help.  Those authors who do remain in large firms are the idea originators of most new business units.  Others see authors as overconfident and unrealistic about the business appeal of their ideas.  Authors are most happy being creative and are constantly offering hypotheses and ideas to everyone around them.  Authors are most unhappy when they are not permitted to express their creativity or when others fail to rally to their ideas.

But the same personality traits that are strengths in the author-praxis work against success later in the evolution of the business unit.  Authors generally disdain details, financial controls, and aggressive marketing.  They often are poor at leading, communicating, and delegating.   Authors are frequently disruptive to teams due to narcissist driven competition for best idea.  As a result the classic challenge facing many business units – startup or large firm -- is the succession plan of the original author-entrepreneur.

*Builders* like authors are strong initiators – success makers as opposed to success followers.  They play an absolutely fundamental role in the growth of new business units.   In product development, they are responsible for commercializing – in both product/service and process -- the author's idea.  Builders institute the quality control, the manufacturing, the delivery, the support, the financial controls, the value proposition, the sales recipe, and the first marketing collaterals.    Excellent skills development books been written for marketing builders [Moore, Crossing the Chasm 1991], for development builders [Reinhart, Managing The Design Factory, 1997], and for sales builders [Holden, Power Base Selling, 1990].  Yet the builder-praxis is largely unstudied as is their essential role in adolescent business units.   Builders are highly organized, energetic, excellent problem solvers, very pragmatic, prolific communicators, and able to simultaneously work on a phenomenal number of tasks.   Builders fearlessly run lots of experiments looking for the right recipe and learn rapidly from their mistakes.  They work long hours and hold accomplishing the goal above all else [even above employee relations].  The builder-praxis is driven by achievement of goal, and once achieved they need something else to build or they become unhappy.

Unlike the author, a builder needs to be better grounded either with someone else's idea or affiliated with an organization.  Builders are strong drivers and push organizations hard, and so once again the same personality traits that make a builder-praxis successful in the expansion stage also limits its effectiveness later in the evolution.  Builders are seen by others as impatient, insensitive to people, and overly type "A". They are poor leaders of the large number of effective capitalizers because the builder drives the capitalizer with endless urgent improvements rather than focusing on people management, team motivation, and predictability.  The builder's narrow pragmatism – a strength during the building stage – not only inhibits their effectiveness at authoring new ideas but also limits their sensitivity to the motivation needs of the large sales, marketing, and manufacturing populations to follow.

Many Authors and Builders make a career out of entrepreneuring, always starting and launching businesses, never sticking around after a few years, not part of a corporation or larger firm.  Other authors seek the safety of corporate research settings where they are free to explore ideas.  [Not all researchers are authors; many are capitalizers, or extenders].  Freelance builders can be found in project management careers.  Builders and Authors are rarely found running franchises or main-street businesses.  Nor are they likely to feel satisfied in traditional roles in the medical or legal professions, in education, or in the delivery of services.

*Capitalizers* -- due to their attention to detail, excellence in following established processes, and their penchant for steady improvement -- are key to a business's profitable existence. Capitalizers appreciate a structured work

environment and delight in repeatedly executing the plan with constant gradual improvement. The setting and meeting of work quotas energizes the capitalizer-praxis. Capitalizers have a stronger people and profit/resource orientation than either the author or the builder. Taken together, these traits increase the business unit's efficient use of resources. During the capitalizing stage, firms gain pay back on the initial investments of authoring and building the new business unit. Business revenues and operational efficiencies reach their peak. And happily, the motivated capitalizer will enjoy growing personal their financial reward.

*Captains:* Working together with capitalizers in this middle stage are *Captains* who fill the role of people management, strategic leadership, and continual improvement of the process and structured work environment. Captains have strong regard for hierarchy and may go by the titles of foreman, supervisor, manager, director and vice president. The captain's primary responsibility is continual stewardship of the successful work output from the business unit's capitalizer population. There are lots of straightforward management and leadership tasks [planning, organizing, delegating, controlling] and tools [quality circles, continuing education, …] associated with the captain's role. Efficiency improvement, quality improvement, automation, and cost controls are all examples of standard measures.

The distinction between Builders and Captains must be made carefully, as many captains want to be builders and vice versa. Builders have an achievement need and are passionate about getting things done. Captains are energized by power and are very satisfied to achieve things by getting others to do them. As a result captains delegate better than any other praxis. People with a need for power feel strong when others react appropriately to them. The best executives feel good when their influence works to make their people grow and be effective. As long as they feel in control, they do not need the constant feedback that builder achievement-motivate people crave. Success is dependent upon the captain's motivational skills, management and leadership savvy, and achieving targeted profits. Success is rewarded with visible perks [corner office, company car] and formal promotions. The captain is happy when things are trending up and to the right.

One special situation is frequently known to challenge the captain: adapting to significant radical external changes. The captain sees changes in the external world either on their own or with the assistance of the diversifier [author/builder]. At the same time, the captain appreciates how important structure, predictability, achievable quotas, and general motivation are to the capitalizer's productivity with which the captain is charged. The captain will only allow the degree of change up to the tolerance of the capitalizer. Frequently this adoption rate is not quick enough and the business unit enters the extend phase; the captain's happiness is over as the trend is no longer up and to the right. As an alternative, the savvy captain may engage a diversifier [author/builder] to help drive adaptation to the changing environment. Frequently this diversifier is known as a change-agent and can become the subject of dislike by the capitalizing workforce. When change-agents are used, the captain is able to maintain positive rapport and continue to motivate the capitalizer workforce. In summary, the captain defines, evolves, and maintains the work structure balancing the adaptability limits of the capitalizer employee with the changing external environment.

The author and the builder sees the capitalizer and captain as resisting change, unimaginative, unable to identify and solve problems, and too comfortable with 'average'. On the other hand, the capitalizer/captain sees the builder as disruptive, brash, and threatening to the predictable productive environment. Authors in the eyes of the capitalizer/captain are just frivolous idea guys who will likely never amount to anything.

Capitalizers and captains are less effective at authoring or building because neither stage is predictable, because there are no processes, and because of less developed imagination and problem solving skill. Capitalizers are reluctant to deal with the unknown. On an individual's level, capitalizers who draw building or authoring assignments frequently under-perform against management expectations. At the business unit level, the Capitalizer's traditionalism traits can scuttle important diversification. The capitalizer doesn't want their comfortable status quo to change and they frequently resist adjusting to changing market conditions. Sluggish adjustment by capitalizers and captains to a changing landscape prematurely erodes many business units.

*Extenders:* There comes a time in any business unit when the market is nearly saturated or when the value of a new substitute overshadows the initial offering. Customers quit shopping on price, quality, and producer efficiency. A capitalizer's best skills no longer make market winners. Yet there is plenty of market to still serve. It's time for the extender praxis. This business stage should generate substantial cash profits that become available for reinvestment in new business units whose growth can and should exceed the current business unit's decline. To maximize profits, the business unit should employ workers with appropriate praxes.

During the extending lifecycle stage, retaining existing customers is the key strategic principle. Customer retention is accomplished through a combination of expert assistance, sympathetic customer care, ongoing education of the product/service's values, and of course just enough value at the right price. The extender praxis is comprised of educators, empathizers, and experts who are all energized by being helpful. Extenders are energized by customer satisfaction challenges, and will show tenacity and creative problem solving skills in pursuit of a solution. The resulting course of action will frequently achieve a great deal with very little invested; often the personal 1:1 helpful attention has significant impact. Extenders are also personally rewarded from both the 'thank you' they get from the customer and from the knowledge that their efforts are allowing the firm to build a new business somewhere else. Extenders are helpful, trustworthy, sociable, structured and enjoy the variety that comes with each customer's unique problem. The expert-extender is passionate about reusing the knowledge they already have about products, markets, and customers. The empathizer-extender lives for the satisfaction of making a positive difference in the day of someone else. Most extenders prioritize providing their special brand of care over maximizing company profits and personal income.

An author, builder, or capitalizer working in the extend stage will not perform well. Customers of mature products look for assistance and understanding, not an author's new ideas. Builders fare poorly often appearing unhelpful due to their impatience and insensitivity to the needs of others. Capitalizers struggle with the unpredictability of the extender workload and an inability to fully recover revenues for all the time invested. Captains are uninspired because the trends will inevitably continue downward.

Extenders are not as effective at other business unit stages. The extender's interest in closure, continuity, and completeness over deadlines and quotas means builders and capitalizers will out perform the extender at building and capitalizing. Indeed, a source of tension exists with capitalizers who become frustrated by the extender's apparent disinterest in efficient delivery. Another miss-match exits with capitalizers who organizes work according to a predictable schedule and the extender who extends each engagement thinking that more assistance is better.

## DISCOVER CYCLO-PRAXIS PRINCIPLES

**The first principle** of CycloPraxis is that workers are happiest and most productive when their praxis matches the business unit life cycle. Each stage – A, B, C, and E -- is best staffed by employees whose cyclopraxis [natural way of working] aligns with the nature of the work required in that stage. [Recall that the D-Diversify stage is a replay of Authoring and Building].

To demonstrate just how different the work can be during the life cycle of a business unit, consider just the marketing function.
- Authoring:  developing ideas about unmet needs of customers
- Building: discovering, documenting, and publicizing the value proposition and competitive differentiation; generating initial sales collaterals; getting the business unit noticed by press, analysts, and customers.  Starting an exploding market.  Avoiding time-consuming customer service
- Capitalizing:  repeating key messages, and application development for whole product solutions.

Profit maximizing pricing.  Supporting the sales process. Providing basic customer service,
- <u>Extending</u>: prolonging customer intimacy, staffing customer-loyalty programs, honoring individual requests with enthusiasm, responding with expert level product assistance.

An expert marketing contributor may be 'able to' do any of these activities, however there will be a natural preference for one of the activity subsets aligned to the workers cyclopraxis.   An author-praxis individual will prefer generating fresh ideas for meeting customer needs to supporting customer loyalty programs week after week.  A capitalizer-praxis will gravitate to repetition of messages – perhaps excelling at trade shows -- much more than developing, discovering, and documenting the value proposition for the first time.

Each of these four lifecycle stages of a business unit inherently attracts employees with different cyclopraxis. What entrepreneur would apply to work in an end of life business unit where opportunity identification is sharply curtailed and where the principle activity is strong individual customer intimacy?  Conversely, what helpfulness-oriented employee would tackle a new venture without any customers?  In between, one finds project managers who are most successful after the idea or initiative is well conceived but before the same work is done multiple times.  And the most efficient at repetitive production would look at early growth challenges and exclaim "how do I get started, where are the processes?"

**The second principle** of CycloPraxis is that a mismatch is as challenging to a worker's productivity as a function [Development vs Sales vs Human Resources vs Finance vs Etc.] mismatch.  This principle is most easily illustrated by examining a few examples:
-    An author following the siren desire of freedom to be creative will feel frustrated by the structured and predictable environment important for the capitalizer to be productive.
-    The builder's 'task first' behavior is ill suited for the empathy necessary in many customer care situations.
-    The expert and the capitalizer struggle to generate and champion novel ideas with the freedom of the author.
-    Rewarding a builder with a promotion to a captain's position often results in capitalizer employees uncomfortable with the builder's task oriented style.

Assigning workers to positions that match their praxis is certainly a boost to any business's productivity.

CycloPraxis -- author, builder, capitalizer, and extender -- is a fundamental aspect of an employee's personality and style.  Recall the introduction anecdote where:
> A top performer, someone who was instrumental in getting the business started now just seems in the way as often as he is adding value.  Your operating unit has grown and he has not by failing to adapt to today's pressing needs.

Likely the business unit moved to a new lifecycle stage and your top contributor remains acting out his/her natural cyclopraxis.  CycloPraxis preferences are as important as the preferences that separate research & development from marketing from sales and from manufacturing.

[If the reader would like more in depth descriptions of the work and the personality traits of the author, builder, capitalizer, or extender cyclopraxis please see the companion paper [11] "Author, Builder, Capitalizer, and Extending CycloPraxis Work Preferences".]

**The third principle** of CycloPraxis is that the praxes do not get along very well with one another and this leads to predictable employee turnover.  The reason for discord between the praxes is that they each have their unique means of dealing with any specific business problem.  These unique approaches are grounded in their strengths
-    The author – Will propose creative high-risk approaches and follow with passionate unyielding negotiations. Details will be absent.   There will be little sense of urgency around completion.
-    The builder – Most apt to set strict deadlines which are achieved by simple designs, pragmatic low risk negotiations, and tireless doing.  Completion is just detailed enough to demonstrate a solution prototype; content done first, process to follow.  People are often burned out.
-    The capitalizer / captain – The work will be parceled out to many participants in a structured fashion; process first with content to follow.  Not done until 99.9% correct.  Deadlines are unimportant if they compromise employee acceptance.  Still, must meet profit and ROI goals.

- The extenders – More apt to find one-on-one solutions for individuals affected by the problem and stretch the overall solution over long period of time.

Each praxis has a different 'how' they go about solving a business problem. The strengths of one praxis' approach are usually seen as weaknesses when looked at through the interpretive lenses of the other praxes. When time, profit, competitive position or other business tensions exist, these different ways of solving a business problem frequently become the source of employee debate, lost confidence, and even dislike. As long as the praxes involved are in relatively equal populations the discord will continue, simply detracting from the productivity of the business unit. If one praxis is significantly greater in numbers than the other, they will set the dominant tone of the business unit thereby accelerating departures of personnel from the minority praxis.

**The final principle** is that the culture and operating style of any business is set by the CycloPraxis of the employees. This principle is explained in three steps:

1. *The business unit's life cycle stage defines the work needed.*
   For example, when the business unit is in the early growth stage, the necessary tasks are all 'firsts' – first demo, first release, first sales, first data sheets. There are no processes. Content must be developed for everything, and authors and builders are ideal for a business unit in this stage.
2. *Employee candidates who accept openings will in general be "self selecting" bringing the appropriate praxis into the business unit.*
   For example, when the business unit is in the mature capitalizing stage, capitalizers and captains will be applying for the positions well defined by structure, processes, and methods. Authors, Builders, and Extenders will be less inclined to apply.
3. *Ultimately, the sum of all workers' praxes will define the culture of the business unit and the manner in which it executes.*
   For example when the business unit is declining in revenue, most employees will have the extender praxis. The focus will be on customer care. Keeping customers will be more important than standard execution times. Processes will be overridden in pursuit of satisfied customers. Values such as personalization, loyalty, socialization, explanation, will be important.

Of course, if this principle is not followed, the business unit may operate at reduced effectiveness. Hiring the wrong praxis for any particular stage in the life cycle will impact the productivity during that cycle.

This final principle is elaborated upon in the next section for a typical manufacturing business unit. The reader must use their imagination to extrapolate to other business cycles such as a medical or legal practice, franchise, utility, or services business. The evolving steps and timing may differ, but the tensions between styles will be similar.

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* Note: Greiner [1972] and many who followed him discuss tension or crisis in the business unit at times of transition between stages. In these models, the hypothesized causes of the tensions are work methods that have become ineffective given the firms new size and new challenges. While this paper's discussion is also about tensions, this writer is introducing cyclopraxis and the observation that the minority population's cyclopraxis style – which was absolutely necessary to get to the present point -- is no longer the optimum cyclopraxis for the business's current size and challenges. The newer population – necessary to get through the next stage – brings a new more effective cyclopraxis and greater numbers of workers. These tensions are heightened by the incumbent group's seniority and challenge in letting go.

## BUSINESS UNIT EVOLUTION DRIVES CYCLO-PRAXIS EVOLUTION

Consider the growth of a manufacturing business unit that will eventually make $100M/year in revenues and employ nearly 1000 people.  Most, start with one – or at most a few – authors.  If a true startup, the original author may go it alone or may partner with a VP of development and a VP of sales/marketing.  If the new business unit is a diversification in a medium to large firm there are also just a handful of people who hatch the new idea and are subsequently responsible for pursuing approval and funding.  Shortly after initial proof of concept and demonstrated customer interest, the business unit must start growing and the need arises for people to productize, to launch operations, to write first sales materials, and to win additional customers -- to name but a few builder stage activities.   In numbers these people might swell the ranks of the new business unit from a handful to 10, 50, or even 100.  The first thing one should notice is that the ranks of builders now out number authors by perhaps ten to one.  Sooner or later the builder's task is finished and the business unit is best served by the capitalizer's excellence in generating and fulfilling customer demand.  Once again the number of capitalizers are now outnumbering the builders by ten to one and outnumbering the authors by one hundred to one.  To visually show represent this phenomenon we need to utilize a logarithmic scale on the vertical axis as graphed to the right.  This same 10:1 concept can be applied to the business unit that reaches 10, 100, or 10000 workers.
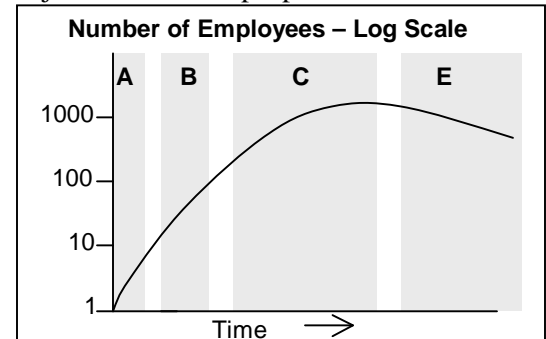
As authors give way to builders by 10:1 and builders give way to capitalizers by 10:1 the outnumbered populations are simultaneously pushed and pulled to leave the business unit!  We will first examine this phenomena with looking at the Author-Builder transition.

As the number of builders increase to 3X, 5X and ultimately 10X the number of authors tension builds in the business unit.  While the original idea for the business came from the authors, the builder's pragmatic approach will modify the author's original idea.  The author's natural reaction is to reaffirm the original idea and to likely rescind permission to make changes.  But the builders now outnumber the authors and can wear them down with issue after issue.  The builders are also realizing successes in developing marketing materials, defining sales territories, establishing finance and controlling departments, and a host of other activities that the author-praxis has little interest for.  Slowly but surely the business centroid is moving to the builder.  Coffee breaks that used to be filled with exciting napkin-innovation have become the de rigueur place for ad-hoc debates over processes.  Each day this new business unit is looking less and less attractive to the authors; simultaneously the authors are longing to return to their cyclopraxis thrill of another creative idea.  At the same time the builders – now dominant in numbers -- are establishing their strong cyclopraxis of pragmatics, drive, deadlines, meetings, communications, etc.  When the minority sized author group doesn't adopt the builder-praxis, the builders stop including them in decision making and in the building activity.  Only by the seniority of the authors' positional power are they not quickly pushed out by the very builders they hired.  However, the authors are rarely the owners -- a privilege reserved for venture capitalists or the corporate office – and slowly but surely the builders are demonstrating to the financially motivated owners how little the authors are now contributing.  The consequence is obvious yet often protracted.  For more on this topic, please see the companion paper "Applying Worker CycloPraxis to the Founders Finale in the Startup".

The tensions between builder and capitalizer styles are different, but the result is the same.  First, once the building is completed the evolving business unit no longer needs 50 or 100 builders.  Many of the builders are offered capitalizing-stage jobs [e.g. a development engineer is offered a position in manufacturing engineering or customer consulting, or a marketing value proposition visionary is offered a position in the sales support department].  Few builders find these jobs rewarding against their cyclopraxis values and so over time they exit the business unit.    Capitalizers replace them.  Sometimes the very builders who developed the business unit ask

for and are rewarded with promotions into management positions.   But the new employees who are now being recruited for the maturing business unit have a capitalizer-praxis and quickly find themselves at odds with the builder-praxis.  The capitalizers don't have the same drive, the same sense of urgency, or the same creativity as their builder predecessors.  Yet these builders-turned-managers subconsciously expect these qualities in the capitalizer stage employees and become frustrated in their absence.  Simultaneously, the capitalizers trundle off to complain to Human Resources that their builder managers are expecting too much, are too harsh, are not involving them in team building, and are not appropriately emphasizing employee development.  Remember now that the capitalizing behavior will soon outnumber the builder behavior employee 10:1.  Whom will HR listen to?  Whom must the CEO listen to if the business unit is to make its numbers?  And so, one by one the builders turned managers leave the business unit.  Capitalizer managers – called Captains -- replace them.

The preceding two transitions create a significant problem for large firms made of multiple business units and for small single business unit startups alike.  Some number of authors and builders are healthy in any organization.  Yet most are pushed and pulled to leave the very business unit they created.  Without appropriate proactive action, these key individuals will leave the firm and join other – probably medium and small – organizations.  The obvious consequence is that firm – large or small -- finds it difficult to develop new business units necessary to maintain its growth.  The large firm with multiple business units has the easy solution – albeit rarely used -- of transferring the author and builder onto a new project somewhere else inside the company.  For more on this topic please see the companion paper "Applying Worker CycloPraxis to the Paradox of Why Large Firms Fail to Innovate".

In the extending stage the business unit must realize employee attrition faster than the revenue loss or reinvestment cash is not forthcoming.   There are obvious tensions at this transition.  The usual problem is that the capitalizers are not motivated to leave on their own initiative and downsizing results.  The Captains see little opportunity to further their own careers so their motivation wanes. Furthermore, the business unit usually needs an even larger reduction in the number of capitalizers in order to open sufficient positions for people with an extender-praxis. [As we've seen previously, the extend stage needs a cyclopraxis that prides itself on doing more with less (cost savings) and has wonderful judgment/flexibility to provide the ultimate in individual customer satisfaction (retention)].  Many a business unit gets into trouble at this stage and a higher authority [such as the Board of Directors] replaces the now obsolete Captain personalities autocratic enough to apply workforce rebalancing upon the business unit.   Once the transition is complete, a population of Experts and Empathizers can deliver a wonderfully long and prosperous extend cycle to the shareholders.


## SAMPLE APPLICATIONS OF CYCLO-PRAXIS

The preceding discussion is but one of a number of applications of the principles of cyclopraxis to common business situations. A sampling of additional application areas includes:
-    An explanation for why a star worker suddenly underperforms in a new assignment.  A business unit would be very cautious about assigning a finance expert to a sales development role.  The same cautions should be in place about assigning a capitalizer to a building task.  For more information, see the companion paper "Round Pegs in Round Holes … Matching Worker's CycloPraxis to the Job"

-    Many large firms lose their population of builder praxis by failing to manage them successfully.  When it comes time to diversify the large firm is challenged to mount effective author/builder cycles.  CycloPraxis can be a valuable tool. For more information, see the companion paper "Applying Worker CycloPraxis to the Paradox of Why Large Firms Fail to Innovate".

-    The replacement of the founder in the startup business is a well-documented phenomenon.  Most founders know it will happen.  Few know why and how to spot the signals that suggest the appropriate timing.  CycloPraxis can be a valuable tool.  For more information, watch for the companion paper "Applying Worker CycloPraxis to the Founders Finale in the Startup".

- Mergers and Acquisitions -- a common occurrence in today's business environment – frequently under perform against expectations as diverse cultures are blended.  CycloPraxis yields new insights to the causes of tensions and suggests some alternatives to improve results.  Watch for the upcoming companion paper "Managing the CycloPraxis Tensions in Mergers and Acquisitions".
- Many a business unit manages its mature and decline stages in the same manner. Yet capitalizing and extending praxes are significantly different and require appropriate approaches. CycloPraxis encompasses the understanding and suggests the tools to effectively manage each stage.   Watch for the companion paper "CycloPraxis oriented approaches for managing end of life for a business unit."
- Franchises, Main-Street Businesses, and Services are a pillar of today's commerce.  Each of these businesses goes through lifecycle phases just like a manufacturing business unit.  Praxes are the same, the timing and the transitions are different.  Watch for a companion paper "CycloPraxis considerations for the Small Business Owner"
- The professionals – Doctors, Lawyers, Nurses, Teachers -- also have a praxis or natural way of working.  Their praxis shapes the 'feel' of their practice. Their businesses have somewhat different cycles that warrant special discussion.  Watch for the special companion paper "CycloPraxis applied to Community Businesses and Services"
- Differences in styles create interesting diversity in the workplace.  These same differences in style pose some interesting challenges to teamwork at the project, department, and business unit level.  For instance a single participant with the constant creativity of an author or the quick accomplishment motive of a builder can be disruptive to a capitalizer team seeking group buy-in to efficiency-oriented adjustments to a particular process.

The 'teamwork' sample application can further illustrate the potential of cyclopraxis in providing fresh solutions with new insight to traditional business problems.  Teamwork challenges are well documented, researched, and the subject of any number of articles and books.  The traditional approach is to subject all team members to a rigorous survey instrument and then coach individuals on interpersonal relations with team members who score differently.  While results may temporarily improve, the individuals involved rarely gain a true understanding and often feel reprimanded for not adhering to some norm.  CycloPraxis suggests two different approaches.

The preferred CycloPraxis approach would be to select teams with a homogeneous praxis – a move that will most surely mitigate much of the diversity induced conflict.  The captains or other leaders responsible for assigning people to teamwork situations must recognize the praxis of each participant.  If the business is in a particular stage – capitalizing for instance – it is important to realize that not all participants will be of that praxis – for instance during capitalizing there will certainly be minority numbers of authors, builders, and extenders.  Teamwork will improve if the minority praxes are excused from playing.

An alternate CycloPraxis approach is appropriate when the captains or other leaders wish for other reasons to continue to include minority praxes in teamwork situations.  In these situations it is appropriate to train the minority praxes in cyclopraxis behaviors.  The minority praxes should be lead to understand that they are being asked to participate in the teamwork situation because they are minority praxis; and they will have to play by the rules of the majority praxis; and they will be measured/judged in this situation on how well they perform against majority measures, not how well they perform against their praxis preferred measures.  It is also advisable for the captains or other leaders to acknowledge that they are asking special duty from the minority praxis which special duty will be taken into future consideration.  For more information on worker measures and rewards,  see the companion paper "Round Pegs in Round Holes … Matching Worker's CycloPraxis to the Job"


## SELF EVALUATION OF ONE'S CYCLO-PRAXIS

By now, many readers will have identified their cyclopraxis amongst the descriptions provided.  You may have gained a new appreciation of your optimum stage in the evolution of a business.   If not, a tool exists on www.cyclopraxis.com.  Simply take the survey and review your score.  Please note that in order for your score

to be calculated, you must supply valid identification and permit your results to become part of our database. Privacy of information is assured.

For those not inclined to the online method, this simpler -- yet less precise – quick example is provided below. Suppose you have the opportunity to work in one of the following positions – each at the same company. Without putting too much emphasis on the pay ranges, which position[s] sound most appealing?

1. Opportunity to excel in making our customers satisfied so they return to buy more of our products. Considerable freedom and responsibility to solve individual customer problems with answers to their questions and occasional marketing or development special efforts. You will have the satisfaction of knowing that you work in an extraordinarily profitable and stable business. Reasonable hours. Starting pay: 40K: Max pay 80K.
2. Opportunity to work in a predictable people-oriented team voted one of the top 10 work environments in the Nation. Your work is well defined and will be carefully scheduled to match your capability and interest. At our company people are our most important asset. Help make our company #1 in its market. Starting pay 40K plus overtime plus profit sharing: Additional rewards are offered for meeting goals and for ideas that improve the way our business is conducted. Max pay upon 1 in 10,000 chance of promotion to VP is 400K.
3. Opportunity to contribute on a highly visible brand new project that is in the top 10 for the company. Our CEO will know you personally, and you will be closely supervised as you solve tough problems. There will always be plenty of challenge in your in-basket and you will have a high interrupt level due to the special nature of this project. You and your teammates will work long weeks – perhaps 60 to 80 yours – in order to finish on time. But rest assured, our company's normal workday – practiced by 90% in this office -- is 9-5. Starting pay: 50K. Max pay 100K. Bonus if satisfactorily completed: 50K – 150K.
4. Lifetime career opportunity with guaranteed employment to freely explore your ideas. Very little to no supervision. You are free to come and go as you please, but your pay raises and consideration for future opportunities will be dependent upon how visible you make yourself as a result of your innovation and developments that stand out against your peers. One in a hundred chance that one of your ideas will be acknowledged for further consideration within the company. Starting pay: 50K. Max pay: 100K.

The author-praxis will choose job #4 because it offers the ongoing independence and opportunity to explore ideas with the possibility that one of your ideas may become the backbone of a new business. [Note that this job description would have been written very differently if this were for a startup company operating outside the large firm context]. The builder-praxis selects job position #3 that is extreme with challenge, problem solving, visibility, and new-ness. Job description #2 is most appealing to capitalizing-praxis that wants to be part of the team that realizes the business's full potential. Notice the emphasis on following the process and on working with people. The cyclopraxis that is most suited to managing a business through its extending stage will appreciate the job category #1 that is rich in customer satisfaction and stability, yet still offers plenty of autonomy and responsibility.

## CHANGING CYCLO-PRAXIS THROUGHOUT ONE'S CAREER

The question of how easily people can change their cyclopraxis [Author, Builder, Capitalizer/Captain, Extender] as they progress throughout their career is frequently raised. Until the recent technology revolution with its corresponding shorter business and product life cycles, this question may not have been relevant. In the early and mid 1900's business lifecycles were measured in decades. A century later cycles are measured in years – sometimes months. In the ultra competitive corporate world of today there is little tolerance for employees working outside their cyclopraxis. Consider the challenges that the capitalizer or extender cyclopraxis will face when asked to undertake an authoring or building project. Just observe their frustration day after day in never knowing where to start. In the same way, a builder becomes frustrated with capitalizing and extending. In a medium or large firm it is as difficult to force a change in cyclopraxis, as it is to change job function between R&D, Marketing, Sales, Finance, etc.

In reality, everyone has just a single praxis [preferred way of working]. Of course it is common for some to occupy a border position between author-builder, builder-capitalizer, or capitalizer-extender. These people may be comfortable working both praxes. Different people also have differing levels of adaptability to working successfully in another part of the lifecycle. As one's career progresses throughout the years, adaptability usually increases with career success and decreases with career frustration.

Readers often inquire about perceived counter examples to the 'one-praxis-for-life' assertion. Some examples:

A few celebrities seem successful at authoring a business and remaining productive contributors throughout the lifecycle. A closer look at founder-to-CEO situations often uncovers a long partnership with a strong COO who runs the company day to day. Indeed, anecdotes of problematic early leaders continuing on well past the effectiveness of their cyclopraxis seem far more common than the celebrity success stories.
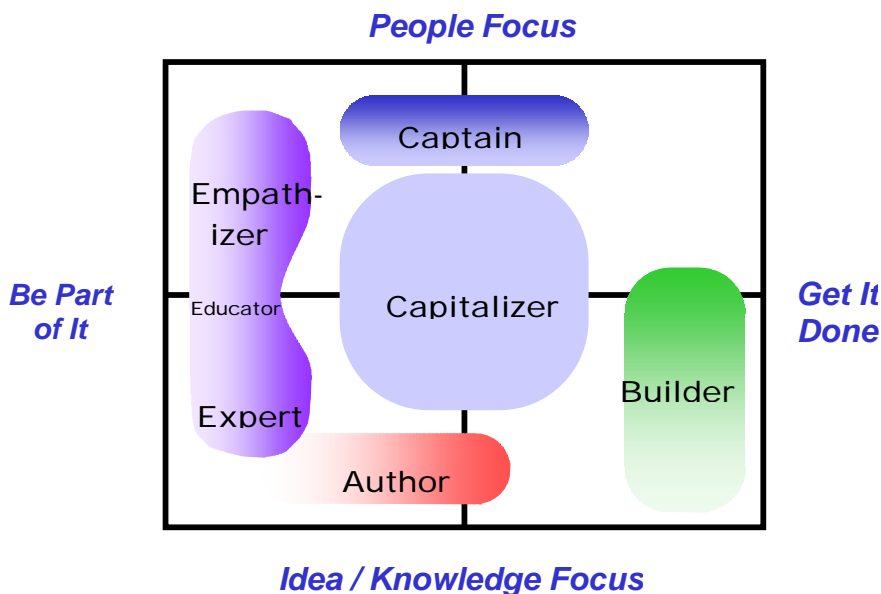
The small town doctor, lawyer, would seem to rapidly change praxis. When the professional starts their own business, they must be the author and builder. Then they enter the capitalizing or extending stage and remain there for 20 to 30 years. So it is easily argued that their fundamental cyclopraxis is capitalizing and that they adapted long enough to author and build their business. In reality they usually get a lot of help in the authoring and building stage from retiring established practitioners. Many a small town doctor and lawyer even purchases or otherwise inherit an existing practice as a way to get established.

The fast food franchisee would seem to require changes in praxis. When a sole proprietor starts their own business they must be the author and builder. Then they enter the capitalizing stage and remain there for 20 to 30 years. So it is easily argued that their fundamental cyclopraxis is capitalizing and that they adapted long enough to author and build their business. And, the whole concept of the fast food franchise business model is designed to dramatically simplify the authoring and building stage to the point where the franchisee can succeed with their capitalizer-praxis.

## BEHAVIORS GRID

The preceding sections use a large number of adjectives to describe authors, builders, capitalizers/captains, and extenders. By doing so, everyone is sure to connect in some way with the overall paradigm of cyclopraxis. The downside is "descriptor overload". Absent is a simple model for visual learners. Therefore the accompanying diagram is offered as a visual aide for the subset of the general population for which the chosen adjectives are meaningful.

### PRAXIS People / Task



One dimension is the subject of our work attention: 'People ← → Idea/Knowledge'. The other dimension is sense of urgency which has surfaced as a key business driver in this modern age. 'Get-it-Done ← → Keep-it-Going'. Other continuums were explored including 'risk', 'attractiveness of pay', 'customer service', and 'predictability'. None yield as clean a visual aide as those chosen.

Authors concentrate on ideas and tend to avoid translating those ideas to performing businesses. As a result, they predominantly

fall in the 'Keep it Going' range.  Builders have a strong 'get it done' focus and generally subordinate the interests of people in pursuit of task accomplishment.  Captains have a strong 'people' focus and generally defer task completion until their capitalizers can be lead into accepting.   Extenders have a strong drive to 'Keep it Going' and may apply this drive around people [empathizers] or knowledge [experts].  Capitalizers are the best rounded of the praxes; and without the need to satisfy any of the previously discussed extreme behaviors the Capitalizer is best suited for mainstream contribution.


## SUMMARY

Four natural working styles – called cyclopraxis – are identified that map to lifecycle stages in the evolution of a business unit.  The concept of lifecycle stages of a business is not new and has been extensively researched over the past 30 years.  However no prior work was discovered that suggests an individual worker's style [cyclopraxis] might align better with one or more stages.  Each of four stages -- Authoring, Building, Capitalizing, and Extending -- has a unique mix of challenges and activities that tend to attract differently motivated employees with differing cyclopraxis.
- The author praxis works best in start-up phase;
- The builder praxis works best during the ramp-up of a business;
- The capitalizer praxis works best during a business's mature years; and
- The extender praxis is essential for prolonging a lucrative ending period.

The most productive workers at each stage possess certain work habits and personality traits that when combined together form their praxis or natural style.  Observe how different the personalities are:
- Authors: visionary, overconfident, risk taker, unstructured, revolutionary, difficult to understand
        never ending creative ideas, will be creative even if inappropriate
- Builders:  organized, drivers, multi-tasking, problem solvers, pragmatic, impatient, energetic
       driven above all else to achieve goals, need constant challenges
- Capitalizers: process followers, optimizers, consistent, participative, balanced, measured
        happy with predictability, stressed and ineffective if proposing or following change
- Extenders:  helpful, trustworthy, sociable, satisfying, structured
        energized by resourceful solutions to traditional customer problems.

CycloPraxis principles apply regardless of whether the job function is marketing, sales, development, manufacturing, operations, or finance.  Indeed cyclopraxis may often be a more important point of job match optimization than function.  CycloPraxis is especially relevant to high technology businesses where the intellectual capital of the employee base is the principle asset and where business life cycles are considerably shorter than people's careers.

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**APPENDIX**
The following charts are prepared to highlight some of the difference in praxis traits across the business lifecycle.  For instance, workers "need for predictability" changes over the stages of a business.  The authors work in uncharted space and require little predictability.  Builders follow and except for needing a starting point, thrive on the unpredictable challenges.  Capitalizers on the other hand need predictability to avoid frustration and cynicism.  Extenders want an interesting half way mix – no big  surprises but constant daily customer oriented challenges.



Customer Service



Emphasis on Technical Know How



Need Predictability



Willingness to Repeat



Risk Aversion



Time Horizon