

**1995 CONTRACT
BETWEEN WSO
AND
J/K ASSOCIATES
CONSULTING
IN REGARDS TO:
'RESOLUTION GROUP
REPORT'**

M E M O R A N D U M

DATE: October 25, 1995
TO: Kelly Chamberlain
J/K Associates
FROM: Stephan G. Lantos
World Service Office
RE: Resolution Group Report



Hi Kelly:

This brief memo is to follow up on our conversation today. I believe the following are the points we agreed on:

1. You will review the first sixty two pages of the Resolution Group Report by November 3, 1995.
2. You will develop a report outlining your impressions of those sections of the RG Report, focusing on whether or not, in your opinion, the resolutions outlined within address the problems identified by last year's World Service Conference. If they do, in what way; if they do not, why not?
3. You will deliver the report in hardcopy and floppy disk to the WSO by end of business (5 p.m.) on Friday, November 3, 1995.
4. You will also deliver an invoice for your services not to exceed \$500 on November 3, 1995.

I hope this covers the points we discussed. If you have any questions about this memo or the report, please call me at your convenience. My extension at the WSO is 141. Thanks for your willingness to continue working on this project.

I n t e r o f f i c e

M E M O R A N D U M

To: Stephan G. Lantos
World Service Office

From: Kelly Chamberlain
J/K Associates

Subject: Resolution Group Report (RGR)

Date: November 3, 1995

The following report is in response to the discussions which took place at a meeting at WSO on October 25, 1995, and the confirming memorandum, which I requested and which was faxed to me on the same date (see enclosure).

I have reviewed the first 62 pages of the subject report and the following are my findings. The findings will be based on the categories captioned on page 9 of the introduction entitled, "Our Original Task and Our Goals." The following problems were identified by the 1995 World Service Conference participants:

1. Lack of vision for WSO, WCC, and WSC.
2. Lack of a strategic plan.
3. Right-sizing of committees and boards.
4. Integration of Management techniques to world services.
5. Bringing the message of hope more effectively to the suffering addict.

Each section will answer the questions of whether the Resolutions Group Report addressed the problems identified by the last year's World Service Conference. The Conference unanimously adopted the consultant's report, so it would seem to make sense to use that criteria for comparison. Certain selected sections of the report are used so this may be a stand alone document. The selections are not exhaustive and should be considered merely a way to capture the spirit of the report.

1. Lack of vision for WSO, WCC, and WSC.

Consultants Report Recommendation:

No Mission Statement for WSO to Provide Corporate Focus

A Description of Each Identified Problem

A mission statement is a daily reminder of why a group of people get together. It could simply say: "WSO is an organization dedicated to support the fellowship and the groups, and help manage NA resources to provide the fellowship with needed products and services."

A Rational for the Determination of Each Problem

WSO is basically a support organization. While the vision of NA is clear to all, the mission of WSO is not clearly understood. The fellowship has a hard time relating to WSO as a provider of needed products and services. They do not understand what WSO does for them. This problem points toward a lack of leadership in the organization, its inability to focus on the mission, and what kind of value added it directly brings to the NA fellowship.

A Statement of Suggestions for Corrective Actions

Develop a mission statement for World Services Office; make sure that everyone throughout the rank and file clear understands what WSO stands for and what it can do for them; make certain WSO can execute (live up to) this commitment to the fellowship by having leadership and an organizational structure committed to supporting the primary mission function.

Note: There are, of course, other sections of the Consultants Report that addressed these problems, this is merely an example.

Analysis of whether or not the Resolution Group Report addressed these problems:

The RGR addressed the "lack of a vision" extremely well. The main thrust of the Consultant Report (CR) was that the main business of NA is to carry their message of hope, "find the opportunity for a new way of life," (RGR 16) to the still suffering addict. The vision stated was somewhat muddled by statements like "one day" and "in their own language and culture." I can understand trying to touch all the bases, but you might consider a short declaration, as stated in the Fifth Tradition, i.e., that no addict need die without hearing the message of hope offered

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by the NA Program. The spirit of cooperation is certainly laudable along with the spirit of unity and addressed concerns in the CR. Finally, the statement 1.2.6 (RGR) "is right on" when it states, "Honesty, trust, and goodwill are the foundation of these ideals. In all our service efforts we pray that a loving Higher Power will guide us." He will, because this is a Divinely inspired program. The RCR report goes on to say, "The program of Narcotics Anonymous is not 'ours' to do with as we please, it is a gift from our Higher Power." That speaks volumes and should be the corner stone on which to build for the future.

The mission statement for WSC looks fine and addresses the concerns contained in the CR.

2. Lack of a strategic plan.

Consultants Report Recommendation:

II. Introduction

Organizational structures can be compared to the frame and beams of a house, while a house can potentially stand with a weak frame, a minor adverse condition, such as a strong wind, will bring down the house. A key responsibility of senior management and board of directors/trustees is to ensure that an organization has a strong foundation to grow during prosperous times and withstand adverse conditions during difficult times.

Successful strategy execution depends greatly on good internal organization and competent personnel. Building a capable organization should always be a top priority. Three types of organizational actions are paramount:

- Developing an organizational structure that is conducive to successful strategy execution -- and then execute that strategy.
- Seeing that the organization has the skills, core competencies, managerial talents, technical know-how, and competitive capabilities it needs.
- Selecting the right people for key positions.

There are very few hard and fast rules for designing a strategy-supportive organizational structure. Every firm's internal organization is somewhat different with its own set of characteristics, the result of many organizational decisions and historical circumstances. Moreover, every strategy is grounded in its own set of key success factors and critical tasks. The only real imperative is to design the internal organization structure around the key success factors and critical tasks inherent in the firm's strategy and mission. This must be tempered with the fact that this is a fellowship not a business, although WSO does have business aspects.

The following five sequence procedures are a useful guide for fitting structure to strategy:

- Pinpoint the key functions and tasks necessary for successful strategy execution.
- Reflect on how strategy-critical functions and organizational units relate to those that are routine and to those that provide staff support.
- Make strategy-critical business units that function as the main organizational building blocks, and concentrate critical resources on those functions that directly support the NA mission.
- Determine the degrees of authority needed to manage each organizational unit bearing in mind both the benefits and costs of decentralized decision making.

- Provide for effective lines of communication and coordination among the various organizational units, and work as a cohesive team to achieve the organization's common goals.

In summary, the test of successful strategy implementation is whether actual organization performance matches or exceeds the targets spelled out in the strategic plan. In deciding how to implement strategy, leaders of the organization have to determine what internal conditions are needed to execute the strategic plan successfully. Then they must create these conditions as rapidly as possible. The process involves creating a series of tight fits:

- Between strategy and organizational structure.
- Between strategy and the organizations skills and competencies.
- Between strategy and budget allocation.
- Between strategy and internal policies, procedures, and support systems.
- Between strategy and the reward structure.
- Between strategy and the corporate cultures.

The tighter the fits the more powerful strategy execution becomes, and the more likely targeted performance can actually be achieved.

Implementation is a job for the whole management team. All managers have to consider what actions to take in their areas to achieve the intended results. They each need to operate under the proper organizational structure, with the appropriate action agenda, and as a cohesive team.

Note: There are, of course, other sections of the Consultants Report that addressed these problems, this is merely an example.

Analysis of whether or not the Resolution Group Report addressed the lack of a strategic plan:

The issues of a strategic plan are not done using the usual Harvard Business School Method, which was outlined in the "Eleven Steps to Strategic Planning" materials that was sent to you subsequent to the conference and during the deliberations of this fine and dedicated Resolutions Group. This is certainly understandable as it takes special training and expertise. Strategic issues were, however, addressed and a time-line was established to implement their recommendations (RGR 59-62). These are all very good moves. I believe a good first step has been made in addressing a formal strategic plan which is still needed. It will be up to the next working group to formalize that process where you take the vision statement, write a mission statement (based on the vision), establish policies and procedures to be sure the mission is accomplished, and finally have some means of accountability to be sure that people are following the procedures. The process has begun, and this is the hardest part. Don't lose your momentum. Press On! Lean into it!

Note: I will forward another copy of "Eleven Steps to Strategic Planning" next week.

3. Right-sizing of committees and boards.

Consultants Report Recommendation:

IV. A Statement of Identified Problems

"One of the truly remarkable things about groups is that they can make $2 + 2 = 5$; of course, they also have the capability of making $2 + 2 = 3$." (Stephen P. Robbins)

1. Committees

A Description of Each Identified Problem

Committee's do serve a purpose, at the group, area, and regional levels. They are imperative. They ensure that the views, issues, and concerns of a wide spectrum of members are represented down the hierarchy triangle to the WSO organization. However, to conduct what seems to be an infinite number of committees and sub-committee meetings, detracts from the main objective of each department within the organization.

"Committees are notorious for getting lost in their own dust as they stumble down the road of uncertain destiny." (Author Unknown)

A Rationale for the Determination of Each Problem

Committees are not a substitute for leadership and decision making. With the limited human and financial resources of WSO, the committee's have created inefficient redundancies that create a sense of lack of accomplishment, focus leading frustration and confusion in the organization; thus, as an example, there are literature task forces in a number of committees.

A Statement of Suggestions for Corrective Action

Our group believes that the confusion in the WSO organization has resulted in frustrated employees, missed targets and objectives, inability to complete tasks and not being able to reach a greater number of still-suffering addicts.

Recommendations:

Reorganize the WSO organization (see attached chart) to focus on specific mission critical tasks, allowing for committees to operate under the facilitation of manager of communications or human resources or operation, thereby giving the committee a specific task to accomplish under one agenda not multiple ones.

Reduce committee's by 50% and focus on less tasks to be accomplished. However, complete the tasks that were started. We recognize the need for members to have a service function at this level, and efficiency should be tempered with that factor.

TAKEN FROM THE OVERVIEW OF THE INVENTORY FOR BOARDS/COMMITTEES

The resources of each committee/board were reviewed from the material (Part II) provided by the Inventory Composite Group, and it was determined that, although issues were identified, the analysis does not give a clear picture of the issues at hand.

In each case, the write-up shows dissension within each committee. No clear short-term or long-term goals are defined.

Most committees feel that there is no trust within the committee structure.

The committees identified have overlapping and/or duplication of work.

There does not seem to be any written procedures, either globally or by committee. If there are any written procedures, they are not thoroughly understood.

The committees feel their strength is in identifying the short-term goals, but there is no clear leadership within the committees. Therefore, objectives are not obtainable.

Communication within the organization is limited. It would appear that each committee works independently, and they interact only as needed. According to some respondents, trust is also an issue between committees.

Some committees/boards seem to receive very little input from the members while carrying out the wishes of the chair.

Note: There are, of course, other sections of the Consultants Report that addressed these problems, this is merely an example.

Analysis of whether or not the Resolution Group Report addressed these problems:

A valiant and laudable attempt to bring order and sanity out of chaos. The Statement of the Resolution (RGR 3.1 37) is excellent and exactly addresses the CR concerns. The architecture (using the building a house analogy) that is proposed is far superior to the present one. If it is adopted, it might be wise to try it on a temporary basis, i.e. for a couple of years, to see if it works before permanently adopting. Flexibility is the key, and it is addressed in both the CR and the RGR.

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The World Board and World Pool are excellent alternatives to the present situation. The inverted pyramid concept should always be kept in mind. This was done in the RCR. Bravo! The Human Resource Panel is a fine idea, but care should be taken to avoid elitism and thought given to including the rank and file member whose only qualification is a love for NA and who may have a full time job. The World Board concept will, I believe, solve many of the "turf wars" and streamline the structure.

A military type cap I bought at the recent SCRCNA in Palm Springs states, "The War is Over." Why don't we declare peace and move on toward the next century following our Loving Higher Power?

4. Integration of management techniques to world services

Consultant's Report

Organizational Structure

I. Executive Summary

Having the opportunity to stand in front of the curtain on this project, we need to emphasize the fact that the NA organization shows a lot of drift in its direction as a whole, and people really do not have a clear idea as to where they are going with the organization. The following information is not new. However, as a point of reiteration:

1. The company's earnings could be improved significantly. (Although it is a non-profit organization, earnings appear stagnant.)
2. The fellowship seems to not understand what valuable products and services World Services provides to them -- internal surveys support this claim.
3. World Services incorporates three different activities: (a) publishing, (b) meetings, and more importantly, the healing and self-realization aspect of addicts. The organization needs to make a decision on whether to stay in the publishing business or out-source this activity. We feel that someone else could handle the meetings and conferences on a national level, allowing NA personnel to concentrate their efforts on their core business at the local level.
4. We recommend an immediate injection of "urgency and discipline" at the World Service Organization level. The principles of Total Quality should be applied to NA and must produce bottom-line results. In order for the organization to grow, continuous improvement must be applied. The WSO needs to look outward to satisfy their bottom-line customers (the fellowship of NA).
5. If the message at the WSO is to serve the entire organization, then the people employed (either voluntary or paid) should have a mission statement, measurable goals, be accountable for their actions, and have adequate education and training to do their jobs.
6. A start-up and outreach business unit within the Operations umbrella should be commissioned to review any future expansion and that should be their only charter. According to the literature, there will be a significant influx of new members in the near term.
7. Change is imminent. NA will have to do the same if they want to improve their efficiency in a global environment. We believe that a strategic plan (for 5, 10 and 15 years) is in order.

In our professional opinion, the board members need to be told the truth in plain language of the state of their organization or chance the continued erosion of its members and hard working

supporters. We shouldn't hem and haw about what we revealed, this happened over time and now it's time to change.

Remember, this is not about us, it is about an assignment that we undertook to give our professional observation and analysis. NA's strategic situation is not familiar to us, but we do realize that the goal is to help the still-suffering addict find recovery in NA. We are trying to hold up a mirror, so that WSO can see themselves from our standpoint.

2. Unclear Leadership at the Top

A Description of Each Identified Problem

The concept of two executive directors is an unusual one. However, there are no organizations of this size, which we can identify, that currently function in this manner. As a result, the tremendous amount of effort that individuals put forth go unfulfilled, because there is no one that makes a decision based on the inputs received.

A Rational for the Determination of Each Problem

In all organizations there is only one person that the Board puts in charge. That individual is responsible to provide the leadership necessary to implement the organizations mission and set the necessary steps in place for it's successful execution. The leader must select a competent team (which could include two deputies) to ensure that the vision of the board of directors is carried out, a plan of action is put in place and obstacles are identified and resolved.

A Statement of Suggestions for Corrective Actions

Select one executive director to lead the organization. The new board will have the responsibility of interviewing and selecting the new Executive director.

3. No Mission Statement for WSO to Provide Corporate Focus

A Description of Each Identified Problem

A mission statement is a daily reminder of why a group of people get together. It could simply say: "WSO is an organization dedicated to support the fellowship and the groups, and help manage NA resources to provide the fellowship with needed products and services."

A Rational for the Determination of Each Problem

WSO is basically a support organization. While the vision of NA is clear to all, the mission of WSO is not clearly understood. The fellowship has a hard time relating to WSO as a provider of needed products and services. They do not understand what WSO does for them. This problem points toward a lack of leadership in the organization, its inability to focus on the mission, and what kind of value added it directly brings to the NA fellowship.

A Statement of Suggestions for Corrective Actions

Develop a mission statement for World Services Office; make sure that everyone throughout the rank and file clear understands what WSO stands for and what it can do for them; make certain WSO can execute (live up to) this commitment to the fellowship by having leadership and an organizational structure committed to supporting the primary mission function.

4. Lack of clear objectives for organization or non-execution of stated objectives. No clear objectives for the organization in terms of helping the two main segments which NA was founded on.

A Description of Each Identified Problem

Lack of Clear Objectives for the World Services Office (WSO) organization or not executing Stated Objectives.

This is really a sub-set of the lack of leadership issue which manifests itself in the organization not having clear objectives or goals. When objectives are clearly defined, they are typically left incomplete due to the fact that individuals are "volunteered" into other committees.

A Rational for the Determination of Each Problem

Lack of Clear Objectives for Organization or None Execution of Stated Objectives.

The only two organizations that WSO is to serve are the members and the groups. Due to a lack of leadership, more and more committees are created to address an increasing number of issues. As committees, they can only recommend; they do not have the authority to execute.

Clarify the specific functions that committees and WSO staff perform in their contribution to NA. Clearly establish mission statements for each committee, their goals and objectives, and ways to measure their success (metric) when they accomplish their mission. Clearly establish a team leader and team member with clearly-defined responsibilities. Provide the resources (training, people, dollars) to execute the mission. Be sure each member is made to understand each aspect of the committee before they serve.

5. There doesn't seem to be any stringent requirements for the full time employees. There are too many side activities for individuals; focus is constantly being diverted to participate in activities within committees in which they might not have any experience or training.

A Description of Each Identified Problem

No competency requirement for the full-time employees.

Most of NA is run by volunteers. However, individuals that are full time and reside in WSO must bring a set of skills focused to do their job, or WSO must provide the necessary training. Volunteers should also be selected on the basis of the skills they can bring to the organization.

A Rational for the Determination of Each Problem

In all organizations (for profit or not for profit) individuals must bring expertise to the company. One needs experts in publishing, human resources, information systems, operations, legal matters, marketing and finance. All are considered mission critical tasks, and the management team is responsible for hiring individuals capable of doing the job.

A Statement of Suggestions for Corrective Actions

NA World Services Office needs to establish a Human Resources Organization within their organizational structure to prepare workers' job descriptions and identify the necessary qualifications for each and every position in the organization. If personnel do not have the necessary qualifications to do the job, NA WSO should establish a training program to teach them the skills which are needed.

6. Lack of proper organizational structure.

A Description of Each Identified Problem

As previously stated, committees are appropriate at the World Services support structure level. However, the "Corporate Support Structure" must have the proper organizational foundation to help the most important people in the organization -- the fellowship and the groups.

Our review of internal memos found great intentioned tasks that were never completed -- examples of an organization that is confused and lacks focus. The yearly plans outline, with great intentions, tasks and goals that were not completed at the end of the year.

A Rational for the Determination of Each Problem

Lack of leadership and focused organizational structure have been the reasons why so many committees exist, while committees are appropriate at the group and area level, WSO's organization is the corporate support structure under which the field organizations receive their support and direction.

A Statement of Suggestion for Corrective Actions

The new board, in conjunction with the executive director, should establish a comprehensive management review of every committee's purpose and eliminate those not directly committed to supporting the primary NA mission. Overlapping responsibilities should be considered. Fill the key positions with highly focused and skilled individuals. Establish clear goals and objectives for each committee and a "sun set" requirement for when it goes out of business if its mission is not a continuing one. Establish and manage a "strategic plan" to provide organizational focus and goals.

However you wish to view yourselves, keep in mind that NA is a global organization with a noble cause. It is only appropriate that the most effective organization be established and the most competent individuals placed in position to ensure that a greater number of suffering addicts are reached with the message of hope. * (see Note ²)

Note: There are, of course, other sections of the Consultants Report that addressed these problems, this is merely an example.

Analysis of whether or not the Resolution Group Report addressed Item 4. Integration of management techniques to world services (problem):

Yes and no. Are you a business or a fellowship or both? Some issues were addressed and some were side stepped, or not mentioned at all. One would suppose it was because of the ever present politics. It is sad, but true, that organizational politics drive most decisions anywhere you go. Some modern management techniques are appropriate for NA, some are not. When the CR was written great care was taken not to take a cold (bottom line) approach to these issues. The new proposed structure is just fine (RGR 38) and is a good start. This is mentioned elsewhere in this analysis.

The streamlining of lines of communication certainly addresses this item. The establishment of the Human Resources Director, Strategic Planning Director, and Public Relations Director is certainly a good move. These additions to WSO will certainly help to solve many of the problems that were outlined in the CR. The only question is, "who do they report to"? Process ownership is a fine concept if the job can be done. Will they have the staff, budget, and backing to do their job? These are areas that need to be addressed by the next committee which will replace the RG. The internal structure of WSO was not addressed even though it was stressed in the CR (107).

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* Note ² As in all things moderation is essential. WSC could be viewed as an "NA United Nations." Even though the tendency is to try to be all things to all people, it should be remembered that the USA

1. Holds the Intellectual Properties Trust.
2. Generates nearly all the income.
3. Is the Mother of all groups.

Therefore, the needs of the US should not be subordinated to the point of hurting the goose that lays the golden eggs.

Many US firms have made this mistake. By being "too international." They have somehow lost sight of their national origins, wherein lies their strength.

Please remember, this precious program was given by a Loving Higher Power to two white dudes of European descent who were middle class, middle aged, and Protestant. Everything begins there and from their point of view.

5. Bringing the message of hope more effectively to the suffering addict.

Consultants Report Recommendation:

In reviewing the full spectrum of data provided to us, it is almost immediately apparent that the organization has failed to grow, not because of the lack of validity of its' philosophy or the need for its services (the availability of a large population of still-suffering addicts). It has failed to grow because there is a great deal of confusion at the top levels of the World Services Organization. This confusion results in perceptions of lack of trust and uncertainty over the value of services provided by World Services at the lowest levels of organization. There is a lack of discipline in the execution of important strategies allowing for the growth and, therefore, expanded outreach by the NA organization.

Additionally, the organization is so intertwined in committees that two results have occurred.

1. Not exercising it's full potential of leadership.
2. A lack of clear objectives that must be identified and accomplished. Because of the over abundance of projects, directives and committee involvements, a series of objectives

Note: There are, of course, other sections of the Consultants Report that addressed these problems, this are merely are examples.

Analysis of whether or not the Resolution Group Report addressed these problems:

The vision statements certainly do address the core issues which encompasses everyone involved in the fellowship, whether trusted servant, special worker, or both. The question they should ask themselves, "Is what I'm doing promoting, in one way or another, the vision of NA, which is to carry the message to the still suffering addict." The mission statement for WSC certainly attempts to carry that concept forward. I was very impressed with the introduction which examined, in part, the need for members to be of service at the world level and what is behind that. It showed great courage and insight (RGR 4-5 Section 3). It says in part, "Again, we must all be willing to go home if necessary, to find other ways to fulfill our needs xxxxx. If we truly love NA, we will be willing to make that personal sacrifice for the greater good of the fellowship."