ENVISIONING, ENABLING AND ENACTING:
METAMORPHOSING THE ENTERPRISE

Nigel Sykes
Envisioning, Enabling and Enacting: Metamorphosing the Enterprise

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Abstract

Previous organic growth models are limited because they fail to look at the abilities of individual people. This paper reviews the position taken by these approaches and presents an alternative model of organisational growth.

The paper demonstrates that the foundation for successful enterprise is for the ability of three founder types Envisioners, Enablers and Enactors to align around a shared mission. These leaders define and process creativity from initial principle through to implementation.

This theoretical model provides a fresh insight into growing enterprises, based on these three dimensions, being engaged throughout a metamorphic progression.
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Introduction

Harnessing creativity is often what defines entrepreneurial activity. Many organisations, both large and small, seek to become creative because they realise that through creativity they may release the potentiality of their enterprise. Organic models such as those developed by Griener (1972) suggest that systems and bureaucracy inhibit entrepreneurial management and lead to the stagnation or levelling off of the growth process. He suggests this is a result of their inability to change fundamentally (see Miller and Freisen, 1987).

This paper argues that releasing and harnessing creativity enables the organisation to grow and that it is vital that the opposite structure of the organisation that facilitate this, is better understood. Typically alignment has been viewed as the coalescing of individuals around a particular mission statement, objectives or goals. Following on from this, it is further argued that these objectives are often grouped around some form of pecuniary maximisation thesis such as profit or sales.

There are clearly difficulties with such an approach: for example concentrating upon maximisation could lead us to address the symptoms rather than the causes of growth.
Hence, we often perceive organisation development by some reference to economic performance.

This paper argues that there are fundamental difficulties with such an approach. At a ‘weak’ level it may be argued that there is a need to look at the individuals themselves – both in terms of their own motivations and their involvement with the group – if we are to understand better, organisational growth and development. We need to go beyond this point: it may be, if we are to assess organisations appropriately, that we need to consider if the existing organisational forms (hierarchical, patriarchal, maximisation-bound) are appropriate for unleashing creativity within an organisation.

Central to this process, is the presence of three characteristics of the structure of an organisation. The first is the characteristic of ‘envisioning’ or the ability amongst an individual or group to conceptualise laterally. A second vital constituent needed is the ability to ‘enable’ or to manage and co-ordinate activities. The third element, ‘enacting’, refers to the ability to carry out the work and bring it to completion.

These three elements are essential if the organisation is to mediate successfully not only emergence and development but also growth. It is suggested that this process can be viewed using the following rubric - organisations metamorphose around four distinct stages: the ‘egg’ phase (inception to convergence); ‘caterpillar’ phase (emergence to team enlargement); ‘chrysalis’ phase (consolidation to product development stages); and ‘butterfly’ phase (release to fragmentation). (Figure1)
This paper also argues that to successfully negotiate each of these four stages it is essential that the organisation has elements of envisioning, enabling and enacting written into its very core.

This paper then describes the development of an organisation through four distinct phases or development curves. Each time the leadership must adopt a different strategic focus and be prepared to move out from their current path or paradigm into a new ‘way of being and seeing’. The Egg phase sees the organisation align resources to take advantage of an opportunity: a time when it seeks to maximise effectiveness given its limited resources. Establishing credibility, confidence and a strong foundation from which to move out, also becomes a priority.

The Caterpillar phase is characterised by a time of movement, rapid growth and alignment more toward the external environment. Gathering resources and enlarging the scope of the enterprise may be seen as uncomfortable for the original founder(s).
Changing the way the firm behaves is difficult and the paper refers to the term “second curve thinking”, Handy (1994), (Figure 2).

Entering the Chrysalis phase must be seen as a time of inward investment and utilisation of the resources gathered during Caterpillar phase. The emphasis is toward new product development and the legacy of the enterprise. The notion of life from death comes to mind at both the egg and chrysalis phases. This model will be developed more fully.

This paper is organised as follows. In the first section, we shall consider various organic approaches to organisational growth. The second section examines, in greater detail, the proposed model. The third section provides empirical evidence, through a number of case studies, to support the constructed model. The paper concludes with a discussion of the findings and suggestions for further research.

**Background**

Organic models of organisation development are not new. Marshall (1920), for instance, suggested that we could consider the following:

“But here we may read a lesson from the young trees of the forest as they struggle upwards through the benumbing shade of their older rivals. Many succumb on the way, and a few only survive; those few become stronger with every year, they get a larger share of light and air with every increase in their height, and at last in their turn they tower above their neighbours, and seem as though they would grow on for ever, and ever become stronger as they grow. But they do not. One tree will last longer in full vigour and attain a greater size than another; but sooner or later age tells on them all. Though the taller ones have a better access to light and air than their rivals, they gradually lose vitality; and one after another they
give place to others, which, though of less material strength, have on their side the vigour of youth.” (p. 315-316)

Following Marshall (1920) there have been numerous attempts to delineate an organic approach to organisational development and growth. Advocates of such an approach include Greiner (1972), Kimberley and Miles (1980), Galbraith (1982), Churchill & Lewis (1983), Quinn and Cameron (1983), Miller and Friesen (1984), Flamholtz (1986), Scott & Bruce (1987), Kazanjian (1988), and Adizes (1989). Each of these approaches have been attracted to the possibility of providing ready heuristic measures of business development. Thus, whilst there is no general agreement about the number of stages that any business passes through from cradle to grave, there is a sense amongst life-cycle theorists that businesses “develop patterns of organisation structure in response to common growth and market challenges. Failure to adequately adapt organisation systems and processes results in growth crises, or growing pains which can stall or thwart the growth process” (Hanks et al, 1993: 7).

It has, however, been pointed out that there are a number of problems with these traditional organic approaches. Penrose (1959), for example, hinted at the difficulty in identifying and labelling appropriately, organisational change: “The differences in administrative structure of very small firms and very large are so great that in many ways it is hard to see that the two species are of the same genus…We cannot define a caterpillar and use the same definition for a butterfly.”

There are other particular problems with the life-cycle approach. For example, Stanworth and Curran (1973, 1976) have suggested that those in organisations are not driven principally by profit maximisation but by utility maximisation (i.e.
independence or sustaining a particular life-style). Other critics, such as Hakim (1989), have also criticised the use of such a model because it is conceivable that organisations may miss particular life-style stages or go through them so quickly as to be difficult to measure appropriately. Moreover, even if organisations do pass through uniform stages, the various attempts to measure the life-cycle have been beset by measurement difficulties. For example, although there is a general concentration upon age and size as important variables (Greiner, 1972; Kimberley and Miles, 1980; Galbraith, 1982; Churchill and Lewis, 1983; Quinn and Cameron, 1983; Miller and Friesen, 1984; Flamholtz, 1986; Scott and Bruce, 1987; Kazanjian, 1988; and Adizes, 1989) even here ‘size’ is measured in terms of employment (Miller and Friesen, 1984) or sales (Smith et al, 1985). Life-cycle theorists have also used a wide range of other variables: products/market scope (Scott and Bruce, 1987); strategy (Churchill and Lewis, 1983); or, more commonly, growth rate (Greiner, 1972; Galbraith, 1982; Churchill and Lewis, 1983; Flamholtz, 1986; Scott and Bruce, 1987; Kazanjian, 1988; and Smith et al, 1985).

It may, therefore, be argued that organic models of organisational development and growth are fundamentally flawed. Nevertheless, organic models do have an intuitive logic: organisations are born, grow and die. It may also be suggested that part of the difficulty with traditional operationalisations of organic models is that they have considered the symptoms rather than the causes of why organisations evolve. In part, as we have seen, this may be a product of differing measures of organic change (e.g. sales growth, employment growth etc.).
More fundamentally, there is burgeoning evidence suggesting a more appropriate measure of organic change is to consider the characteristics or attributes of individuals who reside at the heart of these organisations. Indeed, rather than seeing organisation growth as a function of an increasing tendency towards control, bureaucracy and hierarchical forms of organisation (Scott and Bruce, 1987; Adizes, 1989), Handy (1994) suggests that these organisational modes can often engender individuals who look to stifle rather than promote growth and development.

Empirical research (Storey, 1996) has also indicated that successful medium sized businesses which grow in excess of 30% per annum, termed by Storey (1996) Ten Percenters, could be characterised by two particular traits. The first is that they are likely to have exploited a rapidly expanding niche within a particular market and the second condition being that the firm is well managed. Storey (1997) observes that whilst the owners were gifted at “locating the boat in fast flowing rivers” many of these firms were not, in the traditional sense, well managed. He argues that a successful firm needs to anticipate the next wave or opportunity and prepare the crew in the right position on the boat to take advantage of it as it passes.

Further evidence from Miller (1990) has also indicated that there are grounds for suggesting that if an organisation wishes to have a long-term future it needs to consider its distinctive ‘personality’. He suggests that many enterprises become ‘trapped’ by a particular aspect of their activities whether this be sales, inventing new products, acquiring businesses or by focusing upon technical issues and problems. He suggests that the enterprises develop a bias or dominance in one of these personalities
which will have tragic consequences leading to its dismemberment or death. This he refers to as the ‘Icarus Paradox’.

**Model Development**

The role, therefore, of individuals and groups seems central to organisational development and growth. Indeed, a failure to account properly for the role of people in an organisation may help explain the mis-specification of many organic models and the general inability that we have in understanding the development and growth of the organisation.

In this section, we shall consider an original approach to understanding enterprise development. We shall see that central to the better understanding of such development, are three roles within any emerging or existing organisations: the envisioner; the enabler; and the enactor. For an organisation to grow in this metamorphic way it is not only the case that all three roles must be fulfilled but also that these individuals are appropriately aligned. Without this alignment it is likely that the organisation will grow hierarchically. If so, the organisational evolution may be arrested at any of the four growth stages that are suggested: ‘egg’, ‘caterpillar’, ‘chrysalis’ and ‘butterfly’. (Figure 1)

**Paradigm shift**

Handy (1994) describes one of the paradoxes of our times. If you continue on the course you have set to where you think you should be going, you will miss the turn
off to the future. The diagram termed “second curve thinking” (Figure 2), taken from Handy, shows the need to change at point ‘a’ when resources and future expectation is positive rather than at ‘b’ when confidence and resources are in decline. A product or business cycle is represented by a sigmoid curve; it starts slowly, takes off rapidly, wanes and dies.

Handy suggests that it is difficult to know when to change. It is important to have the confidence to move into a new paradigm and the political stability to maintain a course on the change continuum. Entering a new growth trajectory involves new people joining who will have skills and attributes that are more relevant to “second curve thinking”. The firm can enjoy the vitality once aligned in the new paradigm at ‘c’.

Fig. 2 “second curve thinking”

This series of metamorphic stage transitions are a feature of the Egg to Butterfly model.
This next section reviews the roles played by these individuals or groups of individuals: **Envisioner, Enabler** and **Enactor**.

**The three roles**

The **Envisioner** is an individual who may have a tendency towards expansive thinking, invention and innovation. In many respects, these individuals are akin to the entrepreneurs at the heart of Schumpeter’s (1934) creative destruction.

**Enablers** are individuals who may be thought of as good organisers and interpreters of the vision. As the name suggests they are good at making things happen and able to process ideas.

The third, the **Enactors** are interested in the practical aspects of carrying out the task of implementation. These roles will be referred to as the 3Es. It is, however, not sufficient that these three roles are merely present in the organisation. For an organisation to be successful there must be an **alignment** of these three roles, around a central vision ‘T’ (Figure 4). It is possible that an organisation will grow if there is misalignment or even an absence of these core attributes, but it is likely to follow a more hierarchical and bureaucratic form. However it is likely that, even in instances where creativity is valued and treasured, that without correct alignment of the 3Es, the organisation will flounder and decay (Miller, 1990).
If an organisation has all three roles, and can appropriately coalesce itself around a shared vision, the consequences on organisational development and growth may be profound. The model shown in Figure 3 will be broken down and explored in more detail.

**Fig 3. Metamorphosis of Enterprise**

![Metamorphosis Diagram]

Its first stage is the **Egg**, shown in Figure 4. Here we assume the firm has decided on its growth trajectory. It is planted in position with a start up team and has sufficient resources to sustain it through “pre-emergence”.

**Fig 4. Egg - Inception and convergence**

![Inception Diagram]
The outer triangle in Figure 4 represents the egg casing or boundary of the enterprise in which the founders have chosen to operate. The egg stage is, at least initially, unattractive to predators and to an extent therefore, the firm is protected from competitors. Confidence must be maintained in order to fulfil this initial phase rather than being tempted into new product or market developments.

The **Envisioner**, the **Enabler** and **Enactor** leadership dimensions align around the shared vision and release the opportunity on to each other, termed ‘baton passing’. The arrows in Figure 4 represent the movement and direction of the idea through the 3Es and, as it is released, it is progressed toward commercialisation. Thus they encode the organisation with the ability to move an idea through to implementation.

The resources appropriate to the development of the egg stage inevitably become depleted and it is necessary to break out of the relative protection of the now maturing niche, forage for new opportunities.

The firm emerges from its market segment and forages for resources and will typically adopt a market penetration strategy. The process resembles the emergence from an egg to metamorphose to a new state called the caterpillar stage. The firm is more vulnerable when it is both hungry for resources and becoming more attractive to predators. At this stage the business is of more interest to bigger firms who may be seeking to expand through market penetration or acquisition. Some owners, wanting to capitalise on their early success, could choose to adopt a deliberate strategy of seeking to exit and be taken over at this stage. The reverse strategy would then be
adopted and the highest price being achieved as a result of appearing attractive to take-over.

**Fig. 5 Emergence to caterpillar (‘Bud Burst’)**

Let us however, now assume that the firm is not taken over, instead it decides to expand and prepares to involve three more leadership roles. The Emergence or ‘Bud Burst’ phase shown diagrammatically in Figure 5 shows the original founders being stretched as they enlarge the scope of their original positions. Team enlargement is represented in Figure 6. A person to develop sales who will help expand the market is attracted. Another key addition to the team will be a resource investigator who may typically attract longer term funding and establish a stronger financial foundation for the business. The final role is an overseer or non-executive chairman who needs to join the founding team and bring longer range planning skills and broaden the experience base. These positions are represented by the additional triangles in Figure 6. This decision to develop the team and expand the resource base is a conscious decision and the new paradigm sets the organisation on a growth trajectory for the purpose of gathering enough internal resource for its future potential to be realised.
This would give them the opportunity to develop new ideas and growth opportunities in the subsequent chrysalis stage.

The dimensions of the original founding leadership are maintained and enhanced by the sales function pairing with the *envisioner*. The resource gathering called *provider* enhances the enabling aspect and the non-executive called the developer, the enacting role. The firm has expanded rapidly and has significant potential in terms of stored resources.

**Fig. 6 Team Enlargement**

The decision is taken by the now enlarged leadership to develop products called in the model, the ‘chrysalis phase’.

**Chrysalis** – (consolidation and product development stages) the organisation retrenches and deliberately settles for a time of reformation. This is a time when pressure for harvest by stakeholders may be most extreme. New product development
and an inward investment policy to use stored resources adopted. The business becomes like a chrysalis in order to prepare to become a ‘butterfly’. The waiting and utilisation of resources is important and premature emergence or even extraction of resources needs to be avoided. Typically, new people join the organisation and are responsible collectively for product development and testing. These 6 subsequent phases are called, Concept testing (Figure 7), Qualitative screening (Figure 8), Viability (Figure 9), Product testing (Figure 10), Test marketing (Figure 11) and ultimately Full launch (Figure 12). Christopher et al (1980)

**Concept testing:** This is the first stage of product development or Chrysalis phase and is really the playroom for new ideas and modifications to be discussed and brainstormed. So often envisioning may be seen as a less appropriate attribute following take off and growth. By setting up this environment for developing ideas, it is hoped that creativity will be retained within the organisation through growth.

**Fig. 7 Concept Testing**

![Concept Testing Diagram]

Idea development is the least resource intensive of the six product development testing stages. The organisation will encourage concept development in the new ‘play room’, effectively the seed bed for new product development. The new skills are recruited to effect the concept testing. Firstly someone is needed to manage the new concept team, a concept **Verifier.** Someone who can establish clear boundaries, lead
and provide discipline for the team, particularly in the area of defining the concept’s scope. A researcher or information gatherer should also be introduced to assess the broad market appeal of the concept. This group member is called the Encourager and is engaged in gathering research information and establishing the credibility of new ideas.

The concept may be passed on after screening, for further development. The enterprise decides to commit resources. The concept is released to the enabling members of the original core team. These original founding group members will be aligned to facilitate these interim new product screening, phases.

The new idea may be rejected and not taken forward to subsequent product development phases. The enterprise benefits from ideas being properly screened and through their rejection where appropriate, see resources being spent on more viable development projects which will continue to emerge from the Envisioning part of the organisation.

**Qualitative screening:** The product may be released to the qualitative screening phase, the enabling position of the original core business group. This phase of product development seeks to more accurately qualify the new product or service offering. For example, colour, taste profile, size and speed required by potential customers would be defined more clearly.

A Commissioner brings the facets of the development together. They are good
organisers and are recruited to the team to assesses whether the concept is compatible with existing organisational alignment and resources.

Fig. 8 Qualitative Screen

The qualitative screen will have agreed criteria to assess whether the idea is worth sending to the next phase.

Viability Testing: The project is still in touch with the Commissioner and Enabler and resource gatherer if successfully released to the next phase.

Fig. 9 Viability Testing

An instructor is recruited who is happiest when focussed on a specific project that can be managed and passed on to product testing. This team works out the viability and logistics of the project. The economic analysis will include sensitivity testing under
different scenarios. Resource expenditure is increasing with each successive increment of the product through the Chrysalis stage.

**Product testing:** A representative sample of the target market is given the product or service to experience. This is a resource intensive phase of product development and will reveal whether modification is needed and benefits to customer confirmed. The new team member who will join the enactor is a detail or finishing/task driven individual who will be involved in bringing the project through any re-modification that has been necessary. Of course the product could well be rejected at this stage and not progress to test marketing.

**Fig. 10 Product Testing**

![Product Testing Diagram](image)

The new product is developed and tested on a sample of potential customers. It is either rejected or following modification, passed to:

**Test marketing:** A representative sample of the market is identified and the product re-tested and observed. A non-executive person is now appointed as an overseer or chairperson. This is the most resource intensive phase of product development. Any idea that makes it this far has a good chance of being a commercial success. In
addition the enterprise has maintained a balanced team through growth and a greater depth and potential of the 3Es represented.

**Fig. 11 Test Market**

![Diagram of Test Market]

If the Test market is successful then the new product moves to full launch.

The *chrysalis* phase is complete when the 12 team attributes are in position and are engaged together both in the core activity and the 6 new product development stages.

The firm now has the ability to regenerate and metamorphose to *butterfly* phase.

**Fig. 12 Full Launch**

![Diagram of Full Launch]
**Butterfly** – (release to fragmentation). This is a time of release and full potential of creativity realised – the maturity and release from the *chrysalis* to *butterfly*. The firm has now developed and may choose to launch a the new product. It enjoys the potential of further developments emerging from the now established, product development and testing process. The core business may have reached full maturity and be gradually phased out. Subsequent product developments would be available to facilitate further expansion and the possibility exists to develop spin off companies. The metaphor of the butterfly is powerful, being now relatively short lived and whose objective is to establish a new generation seems apposite.

**Fig.13 Metamorphosis of Enterprise (repeat Fig 3)**

Growth models, (e.g. Greiner, Scott and Bruce, Churchill and Lewis) partially reflect this transitional development, without defining the stages in this way. I anticipate being able to demonstrate for each theoretical stage level, a description to help inform management and assist in the decision making process. The stages of development are different and management must understand the unique characteristics of each phase and adapt their management approach accordingly. (Fig. 13)
There is a temptation to emerge prematurely from each transition stage. The premature realisation of the chrysalis stage often results in the failure of the firm.

**Case Studies**

In this section of the paper, case study evidence is presented to highlight how the model developed and relates to reality. Each case study looks at some of the stages of the model and has been anonymised where no prior publication exists.

1. Baygen - Self wind radio (Trevor Baylis 1999)
2. Leisure equipment
3. Publishing
4. Butterwick Hospice (Martin Johnson 1999)

**1. Baygen – Self wind radio (inception to convergence)**

Trevor Baylis was inspired by a television programme about the lack of batteries for radios in poor areas of the world, particularly Africa. He built a prototype radio which worked and tried to convince companies to develop his idea.

Fortunately Christopher Staines saw the invention on the BBC TV programme Tomorrow’s World.
Trevor Baylis the Envisioner released the concept of the wind up radio to Enablers (accountant), Christopher Staines and his partner in South Africa Rory Stear. They formed a development team, which included Dr Grant of Bristol University.

Finally a connection was made with Hylton Appelbaum of Liberty life who linked the project to Dr William Rowlands who set up a manufacturing facility in South Africa. This the finishing or Enacting phase completed the alignment of the 3Es.

Inception and convergence of the 3Es took place and a successful business has been set up which has united the core team around a shared vision and release of creativity through this vital formative stage enabled. This represents a strong foundation for enterprise based on trust, role recognition and release rather than control.

2. Leisure Equipment (convergence)

A company in the North West of England started with three leaders. The directors were friends but found it difficult to communicate. Each one had a unique personality that was the potential for disunity as well as entrepreneurial alignment around a shared vision.

The company supplied high quality equipment to the leisure industry. The directors agreed on quality and customer service. One director always had ‘mould breaking’ ideas and enthused about the big picture. A second director would offer information to the Envisioner, but what he really wanted was someone to enthuse with. There was
little comfort to be had from speaking to the third founder who would offer practical points related to the implementation of the idea.

Great tension could have built up between the team. The first was interested in principles, the second in the process and the third only in the practical outcome. Through the intervention of an advisor, the team began to realise that each was particularly gifted in one vital aspect of the enterprise process.

The founders recognised their defensive behaviours were getting in the way. It was observed that when the envisioner felt rejected he would become hugely impractical verging on fantasy. The enabler would become quite controlling and the enactor sought refuge in denial. These were defensive behaviours rather like their ‘raincoats’ (Handy 1995).

Once aware of the need for respect of each other’s unique talents and attributes the team became less defensive, sharing and transparent. This releasing and team convergence was seen as pivotal to the success of this company that has now, enjoyed significant growth.

3. Publishing (emergence to enlarging)

An international publishing group had a division in the Far East. The Managing Director had enlarged the team and incorporated aspects recognisable in the second phase of the model. The decision was taken to go out and seek new business through market penetration. The business saw unprecedented growth through the caterpillar
stage. The business had recruited a sales specialist and a business development manager or resource gatherer.

So spectacular was the growth of this division of the company that representation was sent from the head office in America to ask what was causing the extraordinary performance. The Managing Director informed them that all he was doing was ‘aligning the right crew in the right position in the boat’. He had instinctively discerned the facets of the enterprise which were weak and encouraged appropriate people to develop in the gaps. Then as he put it ‘I let them get on with it.’

The MD wanted to develop new products and **consolidate** the firm’s growth by using retained resources. In terms of the model he wanted to enter the *chrysalis phase*. The parent company wanted the resources for other purposes and refused to give authority to continue the metamorphosis of enterprise.

It is not intended to criticise this decision because the resources may well have been well placed within the group, but the potential which the MD could see which was denied, through this decision certainly contributed to his decision to resign.

Subsequently this same MD has recognised in this model the phases through which he had successfully steered the company and also the frustration experienced when a turn-off is missed, or in his case denied.
4. The Butterwick Hospice (inception to fragmentation)

Martin Johnson has studied the development of the Butterwick Hospice located in Stockton-on-Tees in the North East of England. It is an institution, a charity, a voluntary organisation and a Limited Company. The organisation has undergone rapid and substantial change. In terms of performance it has seen its income rise from £200,000 in 1989 to £2m in 1999/2000. Since 1995 it has seen spectacular growth in income, rising from £400,000 to £2m in 4 years. Year on year the financial growth has been 39% putting it firmly within the Ten Percenters growth rate in the Storey (1996) fast growth study.

Mary Butterwick’s husband John died of cancer in 1979. Mary became involved helping others in a similar situation by giving them advice and encouragement. She set up a division of CRUSE (a leading organisation in providing support for cancer patients and their families). As an Envisioner she is an ideas person with lots of energy. Feeling moved to do more she decided to set up a cancer help and advice centre and sought resources and support. She came alongside a successful local businessman, Albert Dickens who is an Enactor.

Things developed slowly until in 1994 David Luke joined the team. David is a people oriented leader who is a good motivator, in other words and Enabler. The organisation
now had the 3 leadership types in place and each shared the common purpose or vision for the work. Spectacular growth resulted and the group attracted a resource gatherer in 1994 and the core team enlarged to correspond to the _caterpillar_ phase of the model.

The _chrysalis_ phase took place between 1993/4 and 1997 when 6 projects were developed. These included a care home, hospice day care, in-patient care, children’s hospice, South Durham Hospice and education centre. The organisation did not appear to change much externally but inside plans were being made as new product development and transfer between Concept Testing, Qualitative Screen, Viability Testing, Product Test and Test Market were taking place.

Now these new operating units have developed and fragmentation out from the core business has occurred. Albert Dickens the Enactor and David Luke the Enabler have moved on and plans are to transfer Butterwick expertise to enable others to develop in other geographic regions. Links are even being made with Kenya and beyond as other organisations are seeking advice and support. Butterwick has an inherited “DNA” which is being passed on from the core vision and founder team. New directors and managers are being appointed to take Butterwick beyond the _butterfly_ phase.
Conclusions

If organic models are to be of value, then there is a continuing need to specify better organisational emergence, development and growth. Previous attempts to do so, this paper has suggested, have largely foundered because of a too narrow focus on maximisation thesis.

This paper has argued instead that individuals within the organisation are of critical importance. Indeed we have seen that central to the process of growth is the correct alignment of the Envisioner, Enabler and Enactor or 3Es.

The paper has also shown both theoretically and empiracally the roles that these and other individuals play as they move through each of the four stages from egg to butterfly.

There however remains much work to be done in developing the model. For instance, further empirical research is required to improve our understand of the behaviour of the model in a variety of settings.

If the model has any promise though, it is hoped that it will help uncover the organisational structure or ‘DNA’ of successful firms.

Organisations may have a personality that reflects the leadership of the organisation. Through further research it may be possible to identify the organisational DNA in relation to enterprise potential. We intend to investigate the significance and gather evidence of this dramatic metamorphic approach and its impact on growth and survival of enterprise.

Referring to Marshall (1920) we may choose to take the analogy further and consider that organisations choose to grow in a metamorphic way. An organisation may
develop for the purpose of collecting acorns (resources) to feed on for a while and then die. Alternatively it can choose to develop to be an acorn producer, an oak tree. They have a long life and eventually die but leave a legacy of many new enterprises encoded with the parent DNA. So enterprises which choose to metaphorically ‘die’ to metamorphose to the next level of development may emerge to be both socially significant and economically successful.

Research is planned working with a network of independent consultants. We intend to identify small and medium sized firms who are at the point of a possible paradigm shift, have or are in danger of missing the turn-off, in Handy’s (1994) terms, before they get to ‘Davy’s bar’.

Having established a sample of firms that resonate with the model we will investigate whether it is possible to recognise the circumstances that precede a potential paradigm change opportunity. This will result in a diagnostic tool that will give more confidence to decision making at a point of change when the economic indicators may encourage enterprises to stay on the same trajectory.

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