

# Author, Builder, Capitalizer, & Extender CycloPraxis Work Preferences

By Doug Johnson / [doug\\_johnson@djhome.net](mailto:doug_johnson@djhome.net) / Revision 7.4 / June 1, 2006

## INTRODUCTION

The classic match between worker and job is function: operations, manufacturing, marketing, finance, sales, development, etc. Business schools organize their classes this way, help wanted ads are organized this way, and career ladders are designed this way. Certainly it is important to match job function to individual preferences. There is another equally important dimension to the fit between workers and their jobs: cyclopraxis. “Praxis” is one’s “customary practice or conduct” meaning the way we naturally do things. Adding “cyclo” aligns a worker’s praxis to the stage in a business unit’s\* overall evolution: start-up, ramp-up, maturity, and decline. The most productive workers at each stage possess certain work habits and personality traits that combine together to form their praxis or natural style. Observe how different the praxis traits are:

- Authors are visionary, overconfident, risk taker, unstructured, big picture, revolutionary, difficult to understand;
- Builders are organized, drivers, multi-tasking, problem solvers, pragmatic, impatient, energetic, little empathy;
- Capitalizers are process followers, optimizers, consistent, participative, balanced, measured, resist change; and,
- Extenders are helpful, trustworthy, sociable, satisfying, structured, and resourceful.

CycloPraxis was first introduced in the paper “CycloPraxis in the Business World”, Doug Johnson, 2003, available at [www.cyclopraxis.com](http://www.cyclopraxis.com)

When a firm\* needs a marketing employee, salesperson, purchasing manager, etc. the operating style of the right candidate is often difficult to describe. There is no common understanding, no accepted lexicon, and no training on what operating style works best in early versus middle versus late stages of a business. For instance, the company looking to fill a marketing slot knows whether they want someone to develop and document an emerging value proposition or someone to repeat previously proven messages again and again. There has been no shorthand to describe the two different styles. CycloPraxes can fill this void – the slot to develop the value proposition needs a builder-praxis while the slot to repeat the message needs a capitalizer-praxis.

This paper fills the void in a very specific way for each of 5 functions: Sales, Manufacturing, Development, Marketing, and Operations. Because cyclopraxis applies across all job functions, the sections of this paper are organized by function. Each section explores the job activities and work habits of each cyclopraxis – Author, Builder, Capitalizer, Extender. Differences between cyclopraxes are emphasized in order to amplify the contrast.

If you are unfamiliar with cyclopraxis, it is highly recommended you read the included review section.

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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 *firms*. 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. When we speak of cyclopraxis it is important to understand that we are considering the lifecycle of an individual business unit.

## AUTHORS, BUILDERS, CAPITALIZERS, AND EXTENDERS IN DEVELOPMENT

This section – and the next five – contrast typical work requirements by life-cycle stage. There is a separate section for each of the major functions in the business – development, marketing, sales, and manufacturing and operations.

The authoring development engineer is the oft-heralded inventor or technical entrepreneur. Note the label “author” has been used throughout these discussions of cyclopraxis exactly because the term “inventor” is too often applied to just the technical development function and the term “entrepreneur” is frequently applied to both authors and builders.

However we choose to label them, people with the author-praxis [work habits] are central to the formation of new businesses – startup or internal. The author-praxis’s creativity and persistent – sometimes-stubborn -- support for bold ideas anchors visions and leads teams through the “fuzzy front end” of any project. Authors have brilliant technical skill at the detail level [often multi discipline], but paradoxically dislike working in the details. Fortunately, they work best at embracing a big picture perspective of the overall product design – an essential beginning step. They typically communicate at a very high and broad level and give the impression of “can’t be bothered with detail” [until someone challenges them into the details where they quickly show exceptional talent]. So they are best moved from idea-phase-project to idea-phase-project and not embroiled in detail design and release to manufacture. And – to no surprise -- the authoring development engineer would quickly tire of the capitalizer-praxis structure, repetitive routine, and limited creative freedom. The author would impatiently seek other challenges where ideas are welcome and appreciated.

Builder style development engineers do not do well at product authoring opportunities. Their strong pragmatism stops them before they attempt such high risk and bold breakthrough programs. Because they work each detail, builders rarely have the strength of vision that can lead a team through the fuzzy front end. Capitalizer development engineers do not do well at product authoring either. Their cyclopraxis requires an adopted architecture and numerous development processes.

As the authoring development engineers move on to the next authoring challenge, builder-style development engineers succeed them. Builders fill in the details around the unknowns in the author’s vision. Sometimes the details are the result of solid design calculations. Other times trial and error is necessary. The builder approaches the same unknowns by simply jumping in, forming hypotheses, running experiments, making mistakes, backing up, and starting again. To the author, this seems to be a great deal of fuss, but these are essential steps as “the devil is in the detail”. The builder is learning with each step and miss-step. After many weeks and dozens of tries, the builder has lots of information on what is working and not working and is actually quite close to being able to design the solution. Builders are also excellent at finding the optimum balance between difficult – often multi discipline -- design tradeoffs.

The builder-praxis attention to detail, multi-tasking, communication, and organization are necessary to take the author’s idea forward to detailed design and release to manufacturing or sales. Just as we saw that builder development engineers do not do well at product authoring, an author-praxis engineer does not excel in the building part of the lifecycle. The level of detail and the barrage of multiple simultaneous tasks endemic to the building stage are uninteresting to the author praxis. Capitalizer engineers are also ill suited for the builder job because they struggle on many of the first time challenges that the builder-praxis enjoys. The market share winning capitalizers need someone to have pioneered the architecture/framework/chassis and the tradeoff methodology since the capitalizer-praxis is much better suited to work where there are established processes, optimization opportunities, and the chance to get better and better by repeating the recipe. Good thing there are capitalizers because one cannot expect the builders to stay around for the second or third iteration of the same product. By then the builders are gone looking for new building challenges.

A capitalizer product development engineer takes pride in meeting schedule with the highest possible quality and lowest cost. They are the best of any praxis in doing so. The capitalizer praxis shows most skill at adding features to an existing architecture/framework/chassis. They also excel at localization to other geographies, line extensions, development of options, and in improving quality. And this is exactly the kind of enhancements that the business unit needs and expects in this lifecycle stage. The capitalizing-praxis is adept at improving costs and manufacturability. Both author-praxis and builder-praxis developers lose morale at these activities and feel over constrained by the structure around repeated releases, development processes, and even quality improvement. Authors and builders in capitalizing development jobs tend to be disruptive to an otherwise predictable and well performing development team.

Capitalizer development engineers should be measured on meeting schedule, achieving most competitive costs, and good judgment about the extent of revolution vs. evolution. These measures stand in stark contrast to the builder who should be measured in simply getting the first release out the door. This is also in contrast to the authors who should be measured on the customer appreciation of their ideas.

The extender-praxis is motivated by being helpful and by continuing to apply their technical interest in areas they know well. Whenever the business unit needs help with an older technology – even if for a new project in the building stage -- an expert-extender is brought in to help find a solution. The expert-extender prefers to spend time continuing their technical contribution in areas where they excel rather than learning new emerging technologies. This technological preference leads the extender-praxis development engineer to keep a older product going for as long as there are customers. Adding additional features requested by specific customers regardless of the time required, technical challenge, or re-usability fulfills the extender's need for customer satisfaction. Customer satisfaction is also improved by removing small defects and annoyances – which results in achievement of top quality. Existing users of the product [the primary customer] are extremely happy to see one of their enhancement requests or defect fixes embodied in a follow-on version. Often, highly motivating personal relationships develop between the designer/developers and the customers.

Authors or builders would not be similarly motivated by the extender-praxis interest in customer satisfaction and disinterest in new technical challenge. Capitalizers too gravitate away from extender development work because of low predictability, difficulty of measure, and inability to leverage improvements to high profits. Of course, this is why the evolving business must rotate its development teams and keep cyclopraxis aligned to progressive stages of the business.

## AUTHORS, BUILDERS, CAPITALIZERS, AND EXTENDERS IN MARKETING

Marketing in the author stage might consist of a creative idea [such as selling books over the Internet]; or a wild new promotional idea [such as free credit cards or frequent flier miles].

More commonly, the marketing function is asked to support a development activity by championing customer understanding [synthesizing profitable patterns from customer feedback sessions]. Where no marketing-author is present, this may amount to little more than doing what the first cash paying early adopter customer asks for. But then the next company to come along, serve the same customer need, and invest in customer understanding has an excellent chance of winning in the market. This is a critically important contribution to any development project and requires a rare mixture of creativity, intuitiveness, and analytical skill. This is not a task that can be assigned to a builder, capitalizer, or extender -- these traits are part of an author's praxis. The marketing author must be fully aligned with the development author[s] in vision for the business unit and for the customer solution. And once the synthesis of customer understanding is complete, the marketing-author needs the same persistence to sell their ideas as found in other authors.

Another authoring stage activity for the marketing profession is the writing of a business plan that includes: formal market research, exploration and assessment of lucrative customer groups, and overall leadership of the planning activity. In the authoring stage bold creative proposals are important in each task – including marketing. Once again the marketing author must be fully aligned with the development author[s] in vision for the business unit and for the customer solution. And once the business plan is written, the marketing-author needs persistence to sell the ideas.

Marketing professionals comfortable with capitalizing and declining activity rarely enjoy or prosper in the unstructured, high risk, and visionary environment necessary for the initial market understanding and synthesis. And while a marketer in any stage can write a business plan, the capitalizer-praxis and extender-praxis will struggle to create the initial version in the absence of any prior developed financial and go-to-market models. The later stage praxes need a structure and process in place.

The most important contribution made by the builder-marketer is researching, selecting, documenting and publicizing the value proposition of the new product, service, or customer segment. Often in parallel with the value proposition is another strategic choice – determining the first market segment to focus upon. If either choice is incorrect, the business will fail to win anticipated business. Builders approach this responsibility with a combination of thoughtful reasoning [the builder is constantly asking why] followed by trial and error. Once a hypothesis is in place, the builder simply jumps in, calls a few customers, and tests ideas. Along the way there will be some mistakes that necessitate backing up and starting again.

Unfortunately, this important strategic work is swamped by an endless array of tactical activity that puts to test the builder's praxis traits of multi-tasking, drive, and organization. The first sales collateral must be developed [based upon the value proposition and targeted to the focused segment of course], customer input for prioritization of initial product features is gathered and processed, the sales channel is trained, the business must get noticed by press/analysts/customers, sales initial customers are identified, other departments such as support are expecting the new business to satisfy the needs of the other departments processes, etc. All the while the builder-marketer is learning from their mistakes and getting smarter about how to address the overall opportunity. Success in this stage demands individuals with cyclopraxis that can both juggle and prioritize the chaos of multiple simultaneous activities, who are articulate about the product and its values, who communicate well enough to keep dozens of co-workers informed, and who are not at all afraid to change course upon discovery of a mistake. Over attention to customer satisfaction is actually counter productive during the building stage as it may impair reaching the goals set by the business unit.

The capitalizer-praxis and the extender-praxes need structure in place and would be severely challenged with the problem solving and synthesis aspects of the builder stage. Large organizations often discover the misfit when they take some of their most productive capitalizing marketing talent and assign them to multivariable unstructured problems. Because of the mismatch between the capitalizer-praxis and the assigned goal, former star producers are intimidated by the apparent magnitude and foreign feel of the assignment and are uncertain even where to start. They stay busy instead designing the process that fits for capitalizers. For more information on this mismatch [and 8 more mismatches] see the companion article “Round Pegs in Square Holes, Matching Worker CycloPraxis to the Job” available at [www.cyclopraxis.com](http://www.cyclopraxis.com).

The capitalizer-praxis has talents with consistency and predictability that help the business maximize returns. During the capitalizing stage, the marketing function trades innovation and initiation for amplification and repetition of key messages found most effective during and after building. Capitalizers also pursue application development and whole product solutions. Instead of the builder's goal of experimenting to find the right message, the capitalizer's goal is to get the selected messages out as many times as possible through advertising, shows, public relations, web sites, seminars, etc. Instead of the building activity of selecting and exploiting the very first market segment, the capitalizing activity is to re-apply the proven recipe in segment after segment. Sales tools get tuned for maximum efficiency. Press, analyst, and customer relationships are nurtured.

Customers are engaged through frequently repeated displays, showings, and seminars. And finally, the Customer Service function gets serious attention. In summary, the capitalizer-marketer requires top focus on execution and creativity within a chosen recipe than on determining the recipe.

The capitalizer appreciates the guidance of process and the predictability of an orderly annual work-plan. The capitalizer-marketer often looks to the budget or marketing plan to see what activities and campaigns are expected each period. The capitalizer feels reward and accomplishment by making 100 pct against straightforward goals, and then revising the goals upward to 105%; so marketing goals in the capitalizing stage should be measurable.

A builder-marketing professional would feel uncomfortable in a capitalizing environment. They will be more interested in adjusting the recipe – even if it means achieving only 90% to goal. The extender-marketing professional would look for more situations to help customers and show lasting expertise and fewer situations to do the structured campaigns that yield customer after customer.

In the extending stage, customer service continues the same tactical contribution started in the capitalizing stage. In addition, customer services takes on a new strategic role by transcending to customer intimacy and customer loyalty designed to minimize customer defections. Sales collateral, press, analysts, market development, promotions, diminish in importance as the customer support department's contribution grows. The most effective work habits in this stage are a cyclopraxis oriented to making the customer happy. Extender-marketing professionals – by virtue of their pragmatism and frugality -- are the choice. They become increasingly more important to the continued success of the business unit and are even delegated the authority to make policy-overriding decisions. Fortunately they are trustworthy and can be counted on to do the right thing for the business unit wishing to retain customers. The extender-praxis interest in being the 'resident expert' further fits the work of this lifecycle stage.

The author and builder lack strong interest in making customers happy and so would be in-effective at this lifecycle stage. Authors and builders are interested in their ideas and accomplishments instead. The capitalizer

Capitalizers too gravitate away from extender marketing assignments because customer requests are highly unpredictable, success with customers is difficult to measure and apply against a quota, and inability to leverage any specific assistance profitably to the next engagement. Of course, this is why the evolving business must rotate its development teams and keep cyclopraxis aligned to progressive stages of the business.

## AUTHORS, BUILDERS, CAPITALIZERS, AND EXTENDERS IN SALES

*[Note: For the purposes of this section, sales staff includes the actual sales agent as well as technical support staff -- both presale and post sale. The sales model is direct – not channel.]*

The application cyclopraxis to the sales function is not as straightforward as with the marketing and development functions. Instead the reader will observe:

- There is no distinct sales staffing nor sales activity in the author stage;
- The sales builder-praxis develops the sales recipe;
- "Hunter" personality wins the first orders from early customers;
- The capitalizing stage starts with the same team -- builder-praxis and "hunter" personality -- when the activity shifts from developing the recipe to winning new accounts;
- The capitalizing stage transitions to and concludes with a different team – capitalizer-praxis and "farmer" personality; and
- The extend stage maintains the slowly attriting team of capitalizer-praxis and "farmer" personality.

Just two cyclopraxes dominate: builder and capitalizer. And the transition occurs in the middle of the capitalizing lifecycle stage.

In the authoring stage of a new business unit there is typically little revenue and any sales activity is handled in a different way. Frequently a handful of customers are identified as the designers' target, many of whom may make some preliminary purchase commitments. Almost always these early commitments are made to the development authors rather than to someone dedicated to the sales function.

Other decisions must be made during the business unit's authoring stage which essentially define a sales model:

- Channel Strategy – direct or indirect or hybrid;
- Key customer values to employ in gaining a customer's attention – the “elevator pitch”;
- Initial customer segments around which to develop application notes and collateral reference;
- Marquee named reference accounts;

These sales model decisions are generally made as part of the total ‘vision’ that embodies the idea and the business model to carry out the idea. They may be made by someone with sales experience and authoring praxis recruited to the new business unit, by a marketing-author, or by the idea's overall author. In all cases, they must be made with conviction and they will have to be championed with persistence.

As the business unit moves into the building stage and first products move from vaporware to slide-ware to demo-ware to alpha to beta to shipment, a sales function is added. The channels/sales organization must be initially populated with builder-praxis and with a sales manager capable of facilitating a series of decentralized experiments. Early sales attempts are simply the kind of experiments builders enjoy. Builder-salespersons will work very closely with builder-marketers as mistakes inevitably occur, the value proposition gets adjusted, and other elements of the marketing mix are tweaked. Most importantly some patterns of success will start to emerge – certain industries will lead and a battle proven sales process -- prospecting/demo-ing/trials/close; -- will start to take shape. At this point, sales manager must assert leadership, recognize the patterns [perhaps with the help of builder-marketers], synthesize the learning into a first-market recipe and ultimately rally the team around the one chosen recipe. Builder-marketers must also rally around the same first-market. The builder-praxis is good at trial and error experimentation, evaluating the inherent tradeoffs of one choice versus another, communicating those choices well, multitasking to get various implementations going, and working under time pressure. Once key choices are made, the business unit is ready to implement on a broader scale.

A capitalizer-praxis sales team would not be well suited for the definitional stage because they look to follow a recipe, not invent one. There's just not much of a sales process -- prospecting/demo-ing/trials/close – at this point. A capitalizer-praxis sales manager might forgo driving to a single focused first-market recipe thereby allowing numerous individual initiatives each diluting the overall focus of the business.

A personality-style classification commonly used for sales teams is “hunter” and “farmer” – a distinction that's very useful as we study the evolution of a business unit. Briefly put, “hunters” are better at winning new accounts, and “farmers” are better at gaining additional business from existing accounts. The personality styles correlate with the overall maturity of the market segment with the “hunters” of course preceding the “farmers”. We need to be careful not to confuse *sales style* with *cyclopraxis*, but instead we should recognize a strong correlation. During the building lifecycle stage, the new business needs a “hunter” style channel team with builder work habits.

As the business-unit progresses into the first part of its capitalizing stage, builder-praxis and “hunter” style sales teams remain important. Implementation begins with hunter style builder-salespersons following the chosen recipe. These builder-salespersons must be willing to forgo finding sales recipe alternatives and instead follow the chosen recipe and win business at new account after new account. Hunters are the essential team to win over new customers with the aggressive sounding value proposition of the new business. The practice of winning business from new customer after new customer involves dealing with uncertainty, self-organization, multitasking, creativity, problem solving and many other characteristics most commonly associated with the builder-praxis. Therefore the first half of the capitalizer stage requires builders for success! The capitalizer-

praxis is not as well suited for launching the assault on large numbers of new accounts, as there are too many variables and uncertainties in motion at once.

Once a significant number of customers have placed their initial orders, the “hunting” winds down and sales teams with that style will look for other opportunities, [just as other builder-praxis go elsewhere once capitalizing begins]. Actually, the business unit’s customers even appreciate a different sales approach more focused on support and services. This is the specialty of the “farmer” personality. The business unit – as it continues to mature -- should replace the departing “hunters” with “farmers”. Hunter or builder work habits are no longer effective. The capitalizer-praxis -- with patience and consistency -- is well suited to winning new business from both existing and new accounts. Bluntly put, hunter builders are too impatient to build necessary relationships with customers. The market dynamics evolve: competitors’ approaches are predictable; the sales recipe has become a process across the industry; top results are won by those who are focused and dedicated; and goals are suggested, agreed upon, and then slowly raised.

However, even as the business unit is well into capitalizing with capitalizer-salespersons with farmer style, there is still the need for builder-salespersons and hunters. Additional opportunities no doubt exist in related verticals. As soon as the chosen first-market is capitalizing, marks the optimum time to launch into a second [or third] market. Put the builder-salespersons with hunter style to work finding the second market just as they did with the first market. Once again these are experiments geographically dispersed and will take some builder marketing and strong sales leadership to successfully deploy.

Inevitably the business unit’s revenues will decline; this is the time to emphasize customer intimacy throughout the sales organization. The ideal sales team would possess exactly the characteristics of extender-praxis identified throughout this paper. However, at this stage in the business cycle it becomes counter productive to proactively remove a sales team from an established customer thereby breaking a relationship that may have taken years to nurture. Orders will certainly dip while a new sales team builds new relationships. A better course of action is to leave the existing capitalizer sales team intact and make modifications only in response to attrition.

## AUTHORS, BUILDERS, CAPITALIZERS, AND EXTENDERS IN MANUFACTURING

*[Note: For the purposes of this section, manufacturing includes the actual assembly people and more importantly the procurement, planning, engineering, distribution, and operations management staff. Some business types may not include manufacturing per-se. See the operations section below.]*

A key decision for the new business unit in the authoring stage is whether to look in-house or outsource for assembly, subassemblies, and components. This decision greatly affects subsequent planning and work in the building stage. Obviously this decision requires visionary thinking and the comfort to make a major strategic decision with little detail. The author’s skill at offering hypotheses makes the author-praxis best suited to make such bold choices.

During the building stage of the new business, manufacturing becomes extraordinarily busy with preparations for eventual high volumes. The workload demands individuals who can multi-task, problem solve, run experiments around various hypotheses, and work in highly unpredictable situations -- the builder-praxis. Builder-praxis manufacturing professionals should be dedicated within the business and given the approval to break from any pre-existing traditions wherever beneficial. This team will tackle challenges such as:

- Establishing 90% best sources of procurement;
- Establishing an assembly process and procedures for each step;
- Designing an initial ERP process;
- Hiring and training the initial assembly team;

- Partnering with development to build the first units in whatever semi-custom fashion is required by early customers;
- Prying R&D engineers off of already late next releases to come fix manufacturing emergencies;
- Digesting initial customer warranty information.

[Note, the manufacturing function may not be responsible for the business unit's very first deliveries, as development may build the first few shipments.] Of course if manufacturing is outsourced, it will be the outsourcer who is responsible for the actual activity. Still, the business unit's builders will need to partner with the outsourcer for a great deal of the planning and initiation. The builder-outsourcer communication may well be more intense than the capitalizer-outsourcer that will follow. Near the end of the building phase, follow-on product releases will start to occur. Regardless of the status of outsourcing, the manufacturing builder will need to develop a 90% good enough engineering release to manufacturing process. Note the repeating theme of "90% good enough". It's important to at least get the manufacturing function up and running, and due to limited resources spread over a high number of activities 90% across the board may be all that's possible. This is a pragmatic compromise that the builder-praxis is best able to make. Incremental improvement can occur in the capitalizing lifecycle stage using capitalizer-praxis manufacturing employees.

By now, it should be obvious that the capitalizer-manufacturing professional would be a far less appropriate choice in the building stage. There are too many simultaneous tasks, too many unknowns, and too few processes for the capitalizer. Indeed, the capitalizer would be much more inclined to re-implement existing traditions instead of taking fresh approaches. This could result in uncompetitive-ness of the new business unit.

Hopefully, not all the builders depart at the conclusion of the building stage, for there are also some additional manufacturing tasks that can be worked on by the builder-praxis during the capitalizing stage: establishing a spares pipeline, choosing hiring practices that can grow the workforce with capitalizer-praxis individuals, and assessing whether to move to lower cost labor assembly. These are challenges that were delayed during initial building due to more urgent tasks. In addition the builder may enjoy taking many of the 90% complete activities to 95%, 98% or even 99% complete.

In the capitalizing stage, manufacturing grows quicker than any other function. When development or marketing exit the building stage, they may double their headcount during the capitalizing lifecycle stage. In the same time period, manufacturing could grow to be ten times its building size presenting special challenges. Strong captains are needed to hire, train, motivate, and organize all the new hires. And the captains face another significant challenge to optimize all the 90% completed activity [from the building stage] up to 99% and 99.9% -- optimizing procurement, release to manufacturing, ERP systems, assembly processes, ECO processes, quality, etc. Forecast accuracy requires special attention or inventory and/or delivery will degrade. And manufacturing lines must be carefully balanced and tuned or unit costs and output will suffer. These activities follow the theme of continuous incremental improvement – something that exactly fits the capitalizer-praxis. Throughout this lifecycle stage there are processes to follow, the activity is predictable, and change is slow – a great fit to the capitalizer-praxis. Productive capitalizers and their captains can be very satisfied in the early capitalizing stage. As noted above, builders may also enjoy improving the quality of their accomplishments.

Builders are not likely to continue very long in the manufacturing organization once things have mainstreamed in the capitalizing stage. The builder praxis and the capitalizer praxis do not interact very well. Capitalizers will be outnumbering builders by at least ten to one. And the builder's natural instincts will impair the overall efficiency of the operation. Authors too will show little interest in manufacturing operations in the capitalizing stage.

When the business unit moves to the extend stage, manufacturing faces new challenges. The business unit's goal of further maximizing profit surely continues to challenge manufacturing to continue incremental improvement but now with the goal of lowest cost while highly flexibility to departing customers instead of highest efficiency at forecast volumes. An example of required flexibility might be a program to reduce lead-



times to retain important customers. Extenders see the opportunity to earn ‘thank you’ from the business unit and readily join. The extender-praxis preference for excellence in existing knowledge over learning anew assures that the best skilled employees stay with the business through the extend stage.

Not everything is happy activity – even for the extender. Ultimately, the unhappy reality of downsizing the labor force falls to the manufacturing function in the extend stage.

Authors and builders are not drawn to manufacturing positions during the extend stage for the same reasons as cited previously. And the extend stage’s required flexibility and downward trend lines become uninteresting to capitalizers.

## AUTHORS, BUILDERS, CAPITALIZERS, AND EXTENDERS IN OPERATIONS

*[Note: Operations may include a range of functions all of which taken together do whatever it takes to deliver products and services to market. Operations could include manufacturing [covered above], systems [as in telecom], deployment [as in software], logistics [as in a distribution business], even reservations, check-in, and maintenance [as in airlines].]*

Simply looking at Development, Marketing, Sales, and Manufacturing oversimplifies the employment picture in the business unit. Other centers of operations often exist, including: call centers, processing centers, consultants, legal experts, writers, accounting teams, human resources, etc. Each of these teams will experience a similar migration of best cyclopraxis following the business unit’s lifecycle stages. Each of these teams will go through an authoring, building, capitalizing, and extending stage where the ideal characteristics of the employees are:

- Authors: visionary, risk taker, revolutionary, autocratic, creative hypotheses
- Builders: organized, drivers, multi-tasking, problem solvers, pragmatic, impatient, experimenting
- Capitalizers: process followers, optimizers, consistent, participative, balanced, seek predictability
- Extenders: helpful, trustworthy, sociable, satisfying, structured, resourceful

To illustrate the principle, the finance function is briefly explored. While the business unit is in the authoring stage, it might benefit from a visionary finance person who would make visionary estimates of the overall business model including costs and profitability. These estimates would be done without a lot of detail yet would serve as a basis for the business’s ongoing model and structure. The pioneers of franchising and more recently on-line retailing likely engaged in finance authoring. As the business unit enters the building stage, finance personnel will be asked to design various measurement reporting systems – most notably accounting and financial reporting. The business unit’s other builders may ask for a variety of additional assistance with things like what-if pricing analysis, competitive financial benchmarking, and pro-forma customer value designs. As these tasks mostly require new approaches the builder praxis will excel. As the business unit transitions to the capitalizing stage, the financial activity transitions from design and one of a kind tasks to efficient execution of the various reporting systems. Capitalizers will not only perform these duties well, but they will also communicate the results in such a way that aligns with their peers. When the business unit finally moves to the extending stage, the finance function will change yet again. Applying the existing measurement systems designed to report and encourage upward trending business situations will only serve to point out the obvious and de-motivate workers during the downward trending extending stage. Best to modify the measurement to reward the behavior that is important in the extending stage. A capitalizing finance worker will not appreciate how the extender feels rewarded nearly as well as an extender finance worker. Best to align praxis to the final lifecycle stage and put extender praxis finance workers in place.

The story is similar with the human resources part of operations. The human resources job may change from lifecycle stage to stage within the business unit as follows:

- Authoring: set visionary direction about how workers will be a strategic element of executing the idea
- Building: design and execute a HR package including staffing, benefits, policies, education, etc.  
Communicate and Execute as a task oriented builder with the other builder employees.
- Capitalizing: efficiently attend to the staffing, benefits, policy, etc needs of a growing worker base. \*\*  
Communicate and Execute as a people centric captain with the majority capitalizer workers.
- Extending: compassionately attend to the staffing, benefits, policy, etc needs of a declining worker base.

Engage in workforce reductions. Show special understanding of the praxis of the extender.

Each lifecycle stage has individual needs which are a best addressed by aligning the praxis of the human resources specialist to the majority employee praxis in the company. \*\*Note: as explained in the companion paper “Applying Worker CycloPraxis to the Paradox of Why Large Firms Fail to Innovate” available at [www.cyclopraxis.com](http://www.cyclopraxis.com) human resources is also smart to invest in builder/diversifier retention programs.

Too many additional diverse job types are included in the ‘operations’ category to give each an additional explanation.

## SUMMARY

The purpose of this paper is further development of the four cyclopraxes of employees that map to lifecycle stages in the evolution of a business. The discussion is primarily organized by function: development, marketing, sales, manufacturing, and operations. Within each function, the authoring, building, capitalizing and declining cyclopraxes is discussed. Typical work activities are identified. And the unfortunate consequences of mismatching cyclopraxis and lifecycle stage are highlighted. The details of this analysis should provide line managers a new and unique capability to match employee to a job.

Four natural working styles – called cyclopraxis – match the 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. In this paper, the four stages are: Authoring, Building, Capitalizing, and Extend. Each stage has a unique mix of challenges and activities that tend to attract differently motivated employees with differing cyclopraxis. 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  
Authors: never ending creative hypotheses; will be creative even when inappropriate.
- Builders: organized, drivers, multi-tasking, problem solvers, pragmatic, impatient, experimenting  
Builders: driven above all else to accomplish, need constant challenges.
- Capitalizers: process followers, optimizers, consistent, participative, balanced, measured  
Capitalizers: happy with predictability, stressed and ineffective if proposing or part of a change.
- Extenders: helpful, trustworthy, sociable, satisfying, structured  
Extenders: energized by being helpful through resourceful solutions to customer problems.

CycloPraxis principles apply regardless of whether we are looking at the function of 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.

Other papers on cyclopraxis available at [www.cyclopraxis.com](http://www.cyclopraxis.com) include:

CycloPraxis in the Business World

Round Pegs in Round Holes ... Matching Worker’s CycloPraxis to the Job

Applying Worker CycloPraxis to the Paradox of Why Large Firms Fail to Innovate  
Prior Research Related to Company Life Cycles and its application to the Study of  
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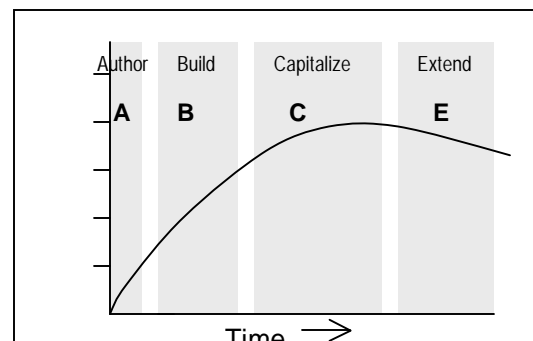
Additional Bibliography can be found in reference #14

## CYCLOPRAXIS OVERVIEW

Adapted from the paper “CycloPraxis in the Business World”, Doug Johnson, 2005, [www.cyclopraxis.com](http://www.cyclopraxis.com)

The classic match between worker and job is function: operations, manufacturing, marketing, finance, sales, development, legal, nursing, teaching, plumbing, retailing,. Business schools organize their classes this way, help wanted ads are organized this way, and career ladders are designed this way. There is another and equally important dimension to the fit between workers and their jobs: CycloPraxis. “Praxis” is one’s “customary practice or conduct”, meaning the way we naturally do things. Adding “cyclo” aligns a worker’s praxis to the stage in a business unit’s overall evolution: start-up, growth, maturity, and decline.

The first lifecycle stage is Authoring [A – for short]. This is where an innovative idea is championed and developed and where the business is initiated. The second stage is Building [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 Capitalizing [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 Diversifying [D] by leveraging the rewards of capitalizing business units. Finally, every business unit reaches its peak and begins a long and slow Extending [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.



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?”

There is nothing new about the concept of the lifecycle of a business and the organizations that participate in birth, growth, profits, and decline. The new concept around CycloPraxis is the connection around a worker’s natural semi-conscious work style preferences and the business lifecycle. Observations of hundreds of workers in wide ranging disciplines suggest 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.

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.

**AUTHORS:** The authors’ – entrepreneurs, architects, and visionaries -- greatest strength is the ability to conceive and champion an idea. 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. They play an absolutely fundamental role in the growth of new business units. In product development, they are responsible for commercializing the author's idea. Builders institute the quality control, the first operations, the delivery, the support, the financial controls, the value proposition, the sales recipe, and the first marketing collaterals. 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.

**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.

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, 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.

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

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. Perceptions aside, 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

**DIVERSIFIERS:** Externally aware and enlightened capitalizers who recognize the enormous challenges a business faces with eventual obsolescence of its core value proposition encourage diversification. Simply re-applying authoring and building accomplishes diversification. Diversifier-builder encounters special challenges.



**EXTENDERS:** To maximize profits and resource utilization as the lifecycle extends the business unit should employ workers with appropriate praxes – one we call extenders. 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.

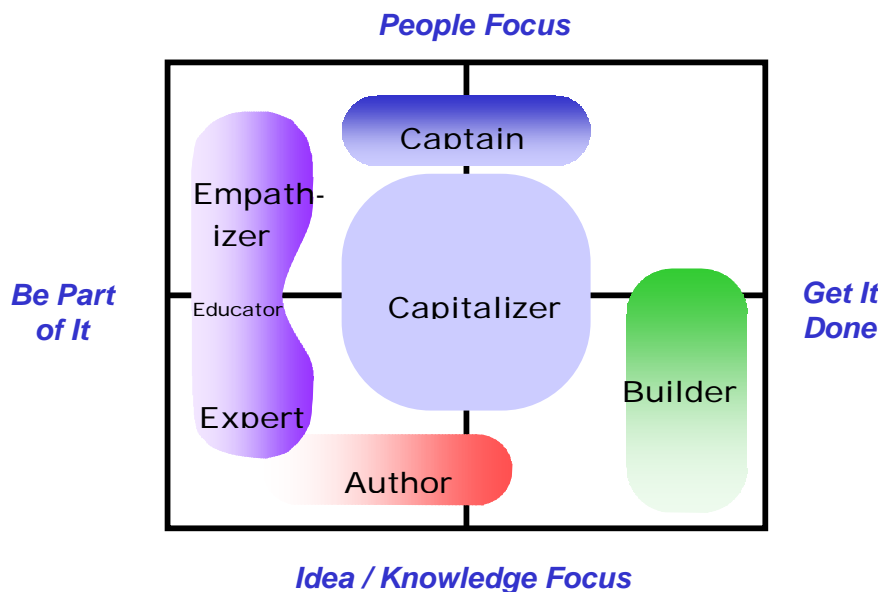
Extenders are not as effective at other business unit stages. The extender’s interest in closure, continuity, and completeness over deadlines and quotas means builders and capitalizers will out perform the extender at building and capitalizing. Indeed, a source of tension exists with capitalizers who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

- PRINCIPLES:** 4 simple principles of cyclopraxis assist in applying the concepts to business situations.
- #1: 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.
  - #2: A mismatch is as challenging to a worker’s productivity as a function [Development vs Sales vs Human Resources vs Finance vs Etc.] mismatch.
  - #3: The praxes do not get along very well with one another and this leads to 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
  - #4: The culture and operating style of any business is set by the CycloPraxis of the employees

**SUMMARY:** 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.

One dimension is the subject of our work attention: ‘People  $\leftrightarrow$  Idea/Knowledge’. The other dimension is sense of urgency, which has surfaced as a key business driver in this modern age. ‘Get-it-Done  $\leftrightarrow$  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.

**PRAXIS People / Task**



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