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NASSAU



The Corporate Provocateur

Photo by Jason Steen

Karen Stephenson, a Harvard-trained anthropologist, has gone from exploring Egyptian wonders, right, inset, to guiding others on how to navigate the corporate jungle.



She unearths how companies really work



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L.A. Times Photo by Lawrence Ho

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The Corporate Provocateur

She unearths how companies really work

By **Reed Johnson**
LOS ANGELES TIMES

MANY MOONS AGO, while stalking ancient Mayan ruins in Central America, Karen Stephenson suddenly found herself at the wrong end of an automatic rifle. The Harvard-trained anthropologist was traveling with colleagues in the war-torn region when renegade soldiers waylaid their jeep.

In the sickening moments that followed, "if we'd panicked, they surely would have shot us."

"I can still feel the sweat on my forehead," said Stephenson, now a jet-hopping corporate consultant, during a frenetic 48-hour stopover in Los Angeles.

"I've had many life-threatening experiences in the jungles of Guatemala. But no more life-threatening than I've experienced in the corporate world."

Sharpened by Stephenson's vestigial West Texas twang, it's a canny synopsis of her workplace world view. Stephenson has traded in her safari togs for designer labels, a Sony laptop and a Palm Pilot that must be on the verge of a nervous breakdown.

But she has kept her sense of adventure. These days, the self-styled "corporate anthropologist" circles the globe preaching a sophisticated yet plain-spoken management gospel to a disparate clientele that at one time or another has included blue-chippers IBM, AOL-Time Warner and Hewlett-Packard, plus the Pentagon, the CIA, the Los Angeles Philharmonic and the Los Angeles Police Department.

Her message? Next time you slip into your cozy office cubicle, don't forget to bring your hip boots. The American workplace can be a swamp of betrayals, sneak attacks, feral co-workers, slash-and-burn bosses and other nasty surprises. That's why "trust relationships," as Stephenson calls them, should be recognized and



Photo by Jason Szoes

Karen Stephenson, speaking with management personnel at the Steel Case offices in Manhattan, has taken an anthropological approach to corporate consulting.

nurtured as the gold standard of successful, innovative organizations.

While most institutions rely on hierarchies and office flow charts to measure employee interaction, Stephenson, a former professor at UCLA, thinks there's a better way to determine how workers actually communicate and share vital information. Using mathematical algorithms and customized software, she and her Manhattan-based company, Netform International Inc., chart the below-the-radar social networks that shape white-collar environments.

Through confidential surveying and painstaking analysis, Stephenson and her 20-member staff attempt to determine a company's hidden molecular makeup by asking simple questions like: Who do you talk to? Who do you go to for expert advice, or a quick decision? Which old-timers know where the bodies are stashed? Which employees are creating information "bottlenecks," bolstering their own power by keeping colleagues in the dark?

When collected and converted into graphic images, the resulting data resemble DNA strands, densely encoded with names, job titles and crisscrossing lines indicating personal connections. "[Our findings] make executives very happy, because at last they can see what's really going on," Stephenson asserts, "and it makes the rank and file very happy because they're finally getting recognized for the work they do."

Indeed, Stephenson continues, we ignore these trust-based networks at our peril, because when they're not properly understood or used, everyone loses. Key

employees aren't retained over time. Mentorship breaks down. Institutional memory seeps away. Manipulative blowhards who have the boss' ear get promoted over more talented, less visible rivals. Lacking the psychological safety net of trust, many employees grow afraid of taking risks.

Thus, Stephenson says, when people complain they don't get recognized for the work they do, they're usually right. "They don't get recognized for the work they do, because the work they do gets done at the tacit level," she says. "Many people reorganize their companies all the time, and nothing ever changes. Too much misalignment is a bad thing. Before you know it, you've got 'acquired organizational dys-function syndrome.' We want to avoid that."

This type of snappy, user-friendly insight has been boosting Stephenson's profile as a free-thinking corporate provocateur. With her nimble, bicoastal firm, she's out to redesign the global workplace, one corporate culture at a time. And from Wall Street to Hollywood to Harvard, people are listening.

"She is kind of in a class alone," says Maria Leo, first vice president of human resources for Merrill Lynch, which has been working with Stephenson for several years.

At 49, Stephenson fully fits the part of a modern management guru: Gucci glasses. High-end, head-to-toe black. Short bobbed hair, flatteringly gray. A can-do personality with an impish streak that suggests a younger, more corporatized Shirley MacLaine.

Divorced for many years, Stephenson says she once told her former husband that, "My work is first, my child is second and you are third." Her son, now 18, graduated from high school three weeks ago.

That leaves his mother freer than ever to pursue what she earnestly calls her "mission": enabling the "strong" to help the "meek" get their due in the workplace, while holding the "weak" (i.e. petty-minded obstructionists, backstabbers and incompetents) in check.

A Southwesterner to the core — her great-grandfather, Joseph Hutt, rode and hunted with Buffalo Bill Cody — Stephenson is as independent in her personal habits as in her opinions. She's "definitely into low-maintenance": rented cars, a hassle-free Los Angeles condo that alternates with a downtown Manhattan pied-à-terre, a streamlined personal life.

Staying lean and mean is pretty crucial today in big-league corporate consulting, where competition is fierce and trained anthropologists have become almost quotidian. "There are a lot of copycats out there," Stephenson says. "Most of them I've trained, and now they're my competition."

Although she has "a funny feeling I'll probably be acquired in the next five years," she plainly prefers operating as a free agent, a rare alpha female in a male-centered business. "I kind of like being the wild stallion," she says with a cryptic smile.

Drawing analogies with chemistry and anthropology, she contends that most organizations are marked by three recurring behavioral patterns, as regimented as baboon grooming rituals. These derive from three groups of archetypal workers known as "hubs," "gatekeepers" and "pulsetakers," classified according to the nature and number of their "trust relationships" with colleagues.

Hubs are employees with the most direct ties to co-workers.

Gatekeepers are more self-aware versions of hubs. They enjoy serving as power brokers and tend to infuse information with their own personal agendas.

Pulsetakers are the least visible employees. They observe and measure the state of the company and are widely trusted. Perhaps the most famous

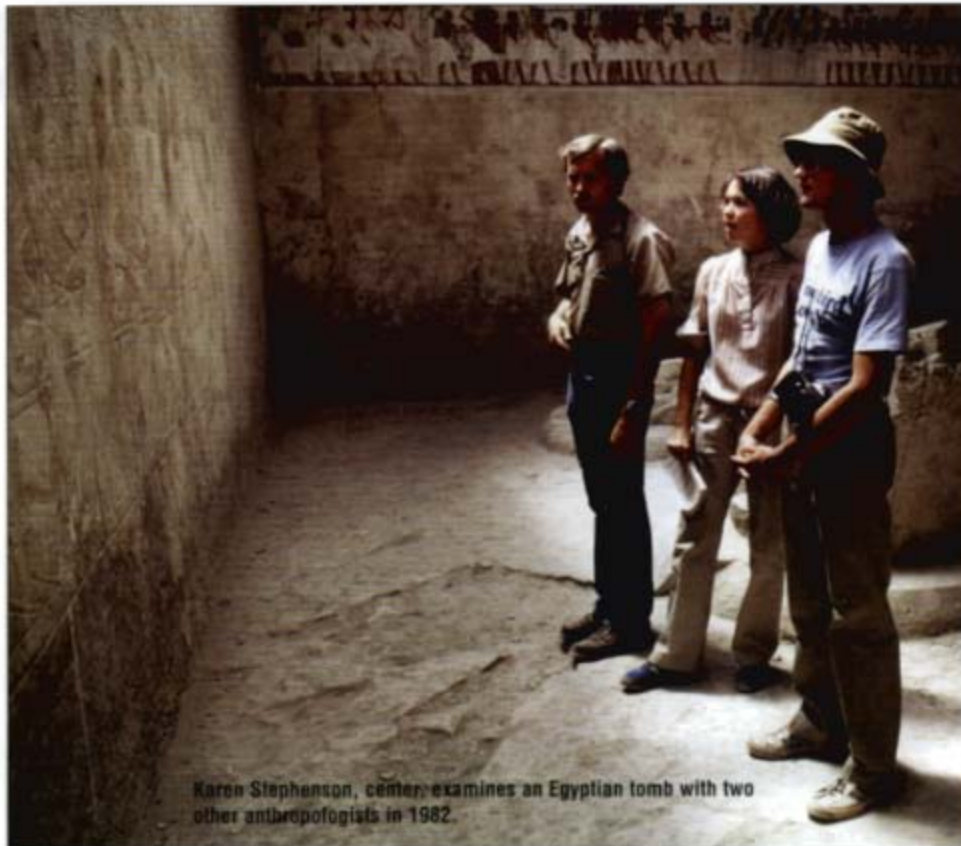
pulsetaker in history was the wily Italian courtier Niccolo Machiavelli, author of "The Prince," that brilliantly cynical manual of managerial technique. Some employees may occupy several of these roles, or trade them as their careers evolve.

Stephenson's research identifies the members of each group in a given organization. Then, using models first conceptualized by mathematical theorist Frank Harary and structural anthropologist Per Hage, she maps out her findings in interlocking graphs that are actually easier to decipher than they look. What's striking is how similar these networks appear, whether depicting an Indian caste system, a corporate bureaucracy or a group of HIV-positive men.

Though much of her work has been with corporations, Stephenson also has been winning converts in government and not-for-profit circles.

Vice Adm. Dennis McGinn, deputy chief of Naval operations for Warfare Requirements and Programs at the Pentagon, credits a Netform analysis with breaking a bureaucratic logjam.

After surveying 2,200 Navy employees, Stephenson determined that Navy staffers, drowning in paperwork, were wasting time currying favor in order to get their memos moved to the top of their colleagues' in-baskets. The affected departments have set up a Web-based

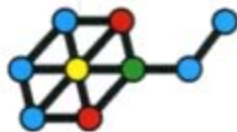


Karen Stephenson, center, examines an Egyptian tomb with two other anthropologists in 1982.

routing system that lets employees swap information more easily and offer input on tasks in progress.

"I think the metaphor Karen uses of being a radiologist for organizations is a

good one," McGinn says. "You take an X-ray or you take a scan of an organization with a survey, and then you process that scan, and then you need someone to interpret that scan."



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