



# TOKENOMICS

## A WORKING EXAMPLE

### OUTLINE

This document explores a simple example of Tokenomics being used in the workplace, based on a real-life scenario.

### THE SCENARIO

Meghann supervises a sales team. Her team has five sales people and two staff members whose jobs it is to offer support for the sales effort. The team is well below their sales goals. Team members are constantly bickering and complaining about each other and Meghann believes this has affected their sales output. She wants the team to be effective and productive. She has set goals, celebrated small wins, and yet there has been little improvement. She runs a lean team and knows that if she can't get people to cooperate there is little chance of success.

### MAPPING

First, Meghann explores the potential sources of her problem.

#### Process

People aren't receiving information in a timely manner. In order to get their jobs done, every member of the team is dependent on other team members. Because people are missing deadlines, it's throwing the entire team into a non-productive spiral. This is a process problem that she believes can be resolved with improved communication.

#### Priorities

Meghann knows that she plays a role in establishing priorities and may need to step in to make corrections. She also knows that 'token hunger' plays a role in determining where people focus their attention, regardless of their stated goals. This means she needs to understand what kinds of validation people are getting from continuing with their current set of behaviors.

#### Affiliation

There's an adversarial element to Meghann's team. Groups of allies stand at odds with each other. The most obvious division lies between the salespeople and the support staff. Meghann's curious as to whether there are other, more subtle divisions in her team. Tokenomics will help her spot where victim and ally tokens are being shared, and what tribes are hiding within her team.

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To Map the problem, Meghann needs to know what tokens people expect and which they receive. She realizes that the bickering and complaining means that people are expecting outcomes that aren't getting matched. Some of those outcomes will be easy to spot--like whether a piece of work arrives on time--but others are likely to be more subtle. Once she identifies who's expecting what, she can figure out where she wants to help them succeed or substitute other tokens.

### MODELING

Meghann observes people's interactions, asks questions and listens for cues to what are the tokens being exchanged within her team. She learns the following:

**Victim tokens:** Most of her team sees themselves as victims. Other team members are the reason that they can't work effectively. Every time someone lets them down, that pattern gets reinforced. This means it's satisfying for people to savor the disappointment that comes with failed collaboration rather than to solve the problem.

**Ally tokens:** People affiliate with either support or sales. Meghann also realizes that her staff are grouping by age. Younger workers see themselves as energetic and unchallenged. They believe that older workers treat them as if they know nothing. Older workers see themselves as seasoned veterans that younger workers don't respect. By empathizing with each other based on these scripts, team members get reinforcement for their preconceptions.

**Professionalism tokens:** These are the tokens that Meghann wants to make most valuable. Unfortunately, at the moment they're being used to maintain the conflict. Each group considers itself to be highly professional, and imagines that the others are cutting corners and failing to help out. They are giving themselves professionalism tokens and denying them to others. In part, that's because their definitions of professionalism don't match up.

The professionalism tokens that the team members are awarding themselves primarily take two forms: competitiveness and diligence.

**Competitiveness tokens:** The sales team have to work in a highly competitive environment and so are used to awarding themselves value for winning, and for pushing others into yielding results. The sales team see the support staff as picky paper pushers who cost them sales.

**Diligence tokens:** Results, as defined by Meghann's support staff, differ significantly from the sales staff. Where the team's sales staff measure success by new contracts, number of sales, and size of sales, support staff measure success by accuracy and completeness of documentation, and their ability to handle incoming call from customers who are often upset. Support staff often see the sales team as haphazard in their approach, creating problems and more work for support.

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These are the tokens that Meghann wants to see shared by the entire team:

**Competence and capability:** (I am timely. I am accurate. We have high standards. I am highly skilled. My skills are valuable.) These would ideally substitute for the victim behavior.

**Respect:** (We look after each other.) Team members will credit each other for the help they provide; team members will respond in a timely manner.

**Learning:** (I keep getting better. We adapt when work is hard. I share my knowledge.) Tokens for learning and teaching are critical for a healthy, developing group.

**Vulnerability:** (I take risks for others.) Asking for help shows that you put the good of the team over pride.

### MENDING

**Here's what Meghann needs to do:**

Victim tokens reflect a person's emotional assessment of how they're treated. People award them to themselves. Meghann needs to swap out the pattern that says 'they don't care about me', for one that says 'these people care lots'.

It's important to remember that when you mend a culture, try to swap like tokens for like. In other words, when people are looking for deep emotional reinforcement, make sure they have a way to get it. If people are collecting tokens to reinforce their pride, give them something else to be proud about.

Ally tokens get shared among groups and reinforce affiliation. They take the form 'we've got the same problem, so you're like me'. Collecting these is fine, but Meghann needs to get the entire team allied with each other.

Professionalism tokens are usually self-awarded but don't have to be. Tokens that we collect always have more value when they come from someone else, so Meghann knows that if she can get people passing this kind of value around, it will automatically replace the self-awarded kind as a preferred currency.

However, Meghann also has to deal with the differing ideas of what professionalism entails. This means that she has to find a way to re-cast the notion of being professional into a token definition her whole team can share.



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Meghann's solution focuses on process but quietly tackles the culture challenges she faces. She implements weekly FASTER (TM) meetings. A FASTER meeting allows each person one minute to recap their week. In that minute there are asked to cover six key points:

- What they had Finished
- Acknowledge any team member who had helped them to succeed.
- What was Still outstanding.
- Where they were having Trouble.
- What had they learned (Enlightenment)?
- And finally, what Requests did they have that would help them to succeed?

### Let's take a look at why this works:

**F:** Talking about what they finished enables team members to relive the successful completion of goals. This gets the meeting off to a strong start and also gives others a picture of what each person values.

**A:** Acknowledging others means that people hand tokens around and are less likely to take a personal value-hit from giving away credit because the activity is built into the meeting format. Also, each group is likely to hand out tokens according to the standards which they themselves value. This enables the sales staff to start gaining validation from their contribution to process, and for the support staff to start relishing their ability to respond swiftly and effectively to achieve the team's sales goals..

**S:** Stating what's still outstanding makes each person's goals public and encourages them to hold themselves accountable. It also helps to establish that uncompleted goals belong to the whole team.

**T:** Revealing trouble in the meeting makes everyone in the group a little more vulnerable. This is likely to get other team members to connect with each other empathetically.

**E:** Sharing what each person learned also makes knowledge acquisition public. Everyone gets to award themselves a point for the understanding gained.

**R:** Explicit requests for help short-circuit the cycle of people not asking and then having their bad expectations fulfilled.

Meghann made sure that members weren't allowed to use their meeting time to complain about anyone. Staff were encouraged to simply offer a quick status on their work, thank anyone who had contributed, and ask for help where needed. Meghann interrupted anyone who got off course and after each person's turn, she added her own praise and appreciation to any acknowledgements given and asked for volunteers to help with requests. At first, the meetings were a bit terse with few acknowledgements and fewer offers to help. Over the first few weeks, as people had the opportunity to understand the challenges faced by their team mates and the more positive members began acknowledging the support they received, people began to warm up to the process and each other. People shared credit and offered support. Outside of the meetings she saw a marked change in the level of cooperation throughout the team. They found ways to streamline their processes, provide better service, and meet their sales goals.

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Now that she has her team running smoothly, here are some other things that Meghann might consider to stabilize the new dynamic:

- Celebrate group wins: With increased effectiveness comes increased results. Recognizing them and celebrating them with everyone involved helps a team feel like they achieved something. Also, if the celebrations are unexpected and irregular, they're more likely to have impact.
- End meetings with group laughter: People remember how events end much more than they remember how they proceeded. By trying to ensure that each meeting finishes with a powerful, positive non-verbal trust signal that encourages everyone to continue to behave like a single tribe.
- Look for new trust bonds and encourage them: By spotting relationships building between members of formerly isolated groups, and making sure that those relationships have opportunities to reinforce, old patterns of affiliation can be broken down. A team composed of subgroups can still hold together if there are enough links that bridge the divide.

### CREDITS

Learn more about FASTER Meetings at [www.MakeTheirDay.com](http://www.MakeTheirDay.com)

