

# LEADERSHIP Excellence

Warren Bennis



THE MAGAZINE OF LEADERSHIP DEVELOPMENT, MANAGERIAL EFFECTIVENESS, AND ORGANIZATIONAL PRODUCTIVITY

DECEMBER 2010



**Daniel Vasella**  
Leader of the Year

**Avoid  
Mojo Killers**

**Lead with  
Energy**

**Leadership  
Realities**

**Ten CEO Challenges**

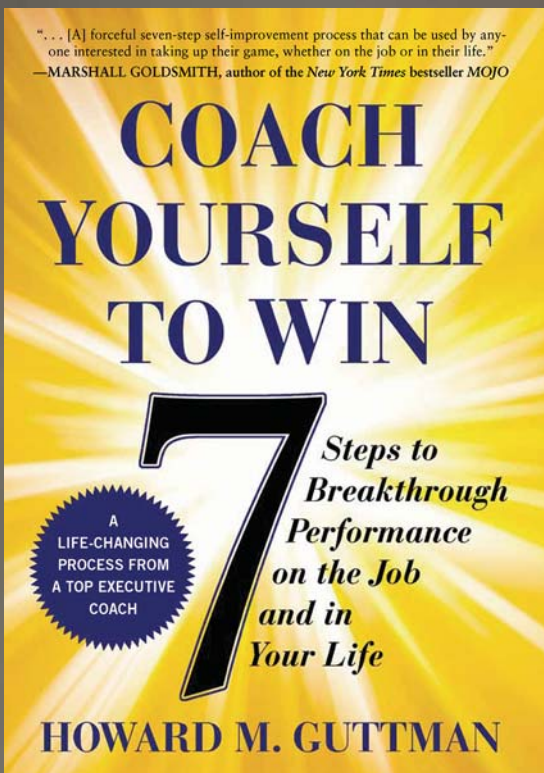
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 VOL. 27 NO. 12 DECEMBER 2010



## The Oldest Angel/Leader

*It seems that this resilient leader has been around forever, serving as a symbol of defiant hope. Day and night, he climbs a well-worn path and holds out his candle. There are stories about him: who is he, why he is here, how he started, when he might retire, and what he'll pass on to the next generation.*

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# State of 2010 Leadership

*Lack of bench strength is top concern.*



by Ken Shelton

**T**HIS MONTH, I RECEIVED three interesting releases on the state of leadership.

*First, from the Forum Leadership Challenges Index, I learn that leaders, faced with a stalled economy, "are increasingly looking to boost performance by developing more and better leaders who can jump-start new strategies." In fact, topping the list of greatest concerns to leaders in the Index is leadership bench strength. "Many organizations are looking to recruit and/or develop new leaders at all ranks in the hopes of stimulating growth," notes Ed Boswell, CEO of The Forum Corp. "Many leaders believe they do not have enough skilled talent to achieve their strategic goals, and are missing opportunities to grow revenues and profits as a result. Leadership development, which waned in 2008-09, has returned—big time, since the opportunity costs are too high to ignore."*

*Other top issues on the list include: accelerating execution of strategies to realize fast and lasting growth; adopting sales models that differentiate from competitors; creating loyalty-inducing customer experiences through superior customer service; and delivering on a key strategy by aligning culture. "The areas that spur growth depend on the ability of people—leaders, salespeople, or service professionals—to execute strategies faster and better than competitors," said Boswell. (www.forum.com).*

*Second, from the Right Management survey, I learn that one in three firms lacks a leadership pipeline because they fail to identify future leaders, except perhaps for a few key roles. "Many organizations have made practically no provision for future leadership," said Deborah Schroeder-Saulnier, Right Management Senior VP for Global Solutions. "Only 19 percent indicate that they've identified high-potential talent who can lead in the future. Organizations without a process in place undermine their strength. Stakeholders want leaders who can improve agility and growth and drive performance to achieve both good quarterly results and long-term success. Organizations that focus on short-term goals will be at a serious disadvantage if they postpone strategic initiatives like managing succession and developing high-potential talent for future*

*leadership positions. Weak leadership bench strength can be felt in many areas—from negatively impacting employee engagement to eroding the customer experience and reducing performance. Managing succession is the cornerstone of strategic viability, ensuring business continuity, retention of high-value talent, and a formidable culture. It secures future leadership capability, critical for driving performance, and is a vital business process that integrates the identification, assessment, and development of talent with long-range strategic planning. Your health depends on the depth and breadth of your succession management." (Contact helene.cavalli@right.com).*

*Third, from the National Leadership Index, the annual survey of confidence in leaders conducted by the Center for Public Leadership at Harvard Kennedy School, I learn that confidence in our leaders remains low.*



Ed Boswell

*"This survey represents yet another cry for more effective leadership, not only in politics, but in many other fields," said David Gergen, professor of public leadership at HKS and director of the CPL. "Two-thirds have said that we have a leadership crisis and believe that unless we address this crisis, the country faces a bleak future."*

*Only four of the 13 sectors—nonprofits & charities, the Supreme Court, and medical and military sectors—garnered above-average levels of confidence. Leaders of news media, Congress, and Wall Street remained the lowest rated. Confidence in business leadership increased for the second year in a row. Confidence in the leaders of the military, local government, education, and Congress decreased from 2009. When asked about the negative emotions they experience when considering their leaders' ability to handle the crises, 37 percent say they are disappointed, and 35 percent say they are angry, fearful, or embarrassed. (Visit www.hks.harvard.edu/leadership or contact Patrick\_McKiernan@harvard.edu).*

*These surveys call for new and better ways for developing people, especially in the areas of management and leadership, sales and service, and personal and professional growth. Fortunately we address all three areas each month in Leadership Excellence, Sales and Service Excellence and Personal Excellence magazines. LE*

*Ken Shelton*  
Editor since 1984

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# Leadership Realities

Prepare now for 10 challenges.



by Daniel Vasella

I KNOW SEVERAL EXPERTS on leadership (Warren Bennis chief among them); however, I am not one of them, although I've been a CEO for 14 years. Yet, I do have strong views on leadership as a result of learning by listening, reading, and experiencing the job.

Few aspiring or emerging leaders appreciate the many *challenges of the job*. Here are 10 challenges to prepare for if your ambition is leadership:

**1. Your job never stops, 24/7/365.** Technology has enveloped our lives, neither the *time* of the day or night nor *distance* matter anymore. You're *always available*. Wherever you are in the world—even in the most unlikely places—it is likely that someone will know you. It creates an impression of being watched, which requires both self-control and indifference. But as a leader, *you lose anonymity and freedom*, due to visibility, a full agenda, and long-term commitments.

**2. You're expected to provide answers quickly, and speed is of the essence (and yet not always prudent).** People expect you to know *everything* and provide fast *answers*. As CEO I would constantly think of the company, opportunities, problems, and people. I'd mull over issues, playing possible scenarios, until an answer would emerge and a solution fall into place. The capability to endure uncertainty and doubt without reaching out aggressively for unavailable facts and data or drawing *premature conclusions* and acting due to *subjective pressure* is called *negative-capability*—the capability to endure frustration and be patient with the faith that in time clarity will be reached and answers found. It contrasts with the image of an always fast-paced, cool and rational decision-making leader. You need to know *when to wait* and *when to act*.

**3. You are criticized and blamed publicly** for (among other things): making too much money, for charging too high prices, for negative clinical study results, for drug side-effects, and for any wrongdoing, which is generally seen as a failure of the leader. NGOs, ranging from Greenpeace to animal right activists and corporate governance

activists, may define you as their target. You also become a product or object for the media. In times of *stress* or *success*, the leader may become more visibly a projection screen for the impulsive anxiety, admiration, or anger of employees and the public. You tend to feel that you are being *viewed inappropriately* and *treated unfairly*. People see the leader as the villain or the hero, while neither is true. The art of enduring such projections and feelings, which are often unpleasant, and to accept them and respond with maturity and goodwill requires empathy, and the capability to endure frustrations, eventually transforming them into constructive actions. When you're the target of *anger*, you can either *react with anger* or accept being a projection screen—trying to



understand the sources of these feelings and respond in a constructive way.

**4. You must be constantly learning on the job.** This is as exciting as it is challenging. Bridging cultures, languages, laws, and religions requires a strong identification with the company, its purpose, and globally accepted values. The *school of leadership* is marked by learning through successes and especially failures, observing other leaders, and assimilating patterns to develop eventually a *personal voice and style* based on *acquired traits* combined with *innate talents*. As medical student, I learned about the power of knowledge; as resident physician, I needed to rely on a well-trained and disciplined team.

**5. You must deal effectively with conflicts.** Leaders and boards of directors often act as filters between multiple stakeholders and the organization. Various stakeholder groups have divergent, even mutually exclusive expectations, of a firm and pursue their agendas aggressively. This creates tensions and

conflicts; it has the potential to bind and absorb much energy. In general, employees with specific functions deal with specific stakeholder groups. At the leadership level, however, various demands may clash, resulting either in ignoring or rejecting certain demands or experiencing the inherent conflicts. For constructive conflict resolution, you need mental guidelines for judging situations, setting priorities, and determining an appropriate course of action. It requires *clarity of purpose*. Values set effective boundaries to how objectives are pursued. To resolve tensions, you, the leader, have to judge, communicate clearly, absorb frustrations, and exercise the courage to stand tall for what you see as the right course of action.

**6. You must be clear about what drives you personally.** While it's not always obvious what drives us as leaders, I see a mix of two elements: 1) the deep desire to fulfill a mission, and 2) the thrill to lead people. However, I believe that *striving for power without purpose is unsustainable*, while the energy derived from purpose and deep beliefs, combined with *competence* and *integrity*, is powerful. I clearly understood my duty: to bring people to their *optimal performance level*, supporting them to become extraordinary, so together we'd perform and fulfill our primary duty in society and discover, develop, and produce extraordinary products that help physicians to save the lives of people worldwide.

**7. You and your team must be clear on the firm's societal purpose, aspirations, values and core capabilities—and then create alignment.** Your awareness of the firm's primary responsibility—*being clear about your purpose in society*—helps you set direction, align and motivate associates, and resolve the *inherent conflicts* that leaders and their firms face.

As a new product manager, I learned about the importance of an *explicit mission and vision statement* when at our first team meeting a colleague asked me for it. *I hadn't even considered the question*, and was deeply embarrassed. When appointed as CEO, I was lucky to be invited to participate in a seminar with Michael Porter at HBS during which I had to present *my farewell speech*. I was unprepared and had to improvise. It made me aware that *unless I knew what I wanted to build and achieve, I would never succeed*.

**8. You need authentic self-assurance.** Leadership is a lonely job. You don't make many new friends and are happy to keep your old ones. I was lucky to have a good family, which gives me much support, to have a spouse who

provides me with objective feedback while remaining loyal and supportive, and to have three wonderful kids. You get a thick skin, but you can't deny the pressures. To withstand them and succeed, you need *authentic self-assurance* that provides a strong sense of gravity inside you, grounding you in knowledge of yourself. This self-assurance is not only the result of maturity, but also of introspection and candid situation analysis. It ensures balance when you are pushed, and perspective when criticized or praised. I've always desired to keep an open mind and gain personal freedom through self-awareness, introspection, insight, and continuous learning. Accepting my imperfections and shortcomings gives me *peace of mind* and *pleasure to see others succeed*.

**9. You must develop other leaders and prepare a successor.** In 2008 I decided that it was time to *plan for succession*. I had served long enough: we were the fastest growing large pharmaceutical company; we had a full pipeline; our strategy was clear; our convictions and values were shared among the leadership team; we had solid development programs; and I had colleagues with CEO potential. At our Board succession discussions in June 2009, I announced my decision. It came as a surprise to them; nevertheless, we quickly agreed on the process, the governance model, the selection criteria, the division of duties between the Chairman and CEO. Only then did we enter into the concrete discussion about the candidates.

**10. You must deal with losing your leadership position.** I then had to deal with my own change in responsibility, power, and status. After I announced my retirement as CEO, the organization adapted quickly—focusing attention on the new CEO. To my surprise, handing over power and letting go never bothered me. I reflected on John Gardner's great speech entitled *Self-Renewal*, wherein he said: *We build our own prisons and serve as our own jail-keepers*. He implied that it is up to us to free and renew ourselves. I believe that we remain, at least to some extent, masters of our own destiny as long as we expand the understanding of ourselves, of our roles, and of others.

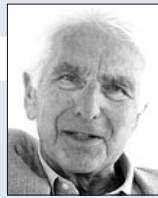
*Over the years, you learn to deal with many of these challenges.* The load never seems to lessen, but your ability to cope and carry on seems to strengthen in proportion to your duties. LE

Daniel Vasella recently retired as Chairman and CEO of Novartis; in October he was named the GLD Warren Bennis leader of the year. [Daniel.vasella@group.novartis.com](mailto:Daniel.vasella@group.novartis.com)

**ACTION: Prepare now for leadership challenges.**

## We Need Leaders

*And they need our support.*



by Warren Bennis

**C**ERTAIN THEMES REOC-cur in my work—the nature of leadership, creative collaboration, how to lead change, the need to reinvent yourself, and how to create cultures of candor. I've learned that every book is an education. In *Leaders*, Burt Nanus and I identified the qualities and behaviors that enable you to succeed in a leadership role. Among them are *empathy, respect, and insight* in dealing with people. Such abilities constitute *emotional wisdom*.

*In my bones, I know how important leadership is—the very quality of our lives depends on it.* We need and seek honest, competent leaders in government, business, industry, education, and social organizations. We are *social animals*, and our *packs* need leaders. Good or bad, they shape our destinies. *Authentic leadership elevates every organization wherein it's practiced.*

Sensing that *leadership is something many people aspire to*, whatever role they play, I wrote *On Becoming a Leader*. It became clear that *the ability to inspire trust, not charisma*, is what enables leaders to recruit others to a cause.

We so often think of *leadership* as something a few rare and gifted individuals are born with. But leadership is so often a function—not of your personality or psychological makeup, but *of the role you find yourself in*.

William Shakespeare shows how *role shapes the development of leaders*. For instance, young Prince Hal, before he became King Henry V, could afford to be a rake and wastrel, like his teacher and fellow carouser, Falstaff. Before Hal puts on the crown and the rest of the regal costume, he shows no evidence of the qualities required of a leader. But when thrust into the role of king, he finds the inner resources necessary. The first step in the *transformation* is Hal's heart-rending *renunciation* of Falstaff. He starts to become a great leader, not on the battlefield at Agincourt, but the moment he tells Falstaff, "I know thee not, old man," and begins to act like a king. Leadership is a performance art, and *most of us become leaders only*



*when we are cast in that role—or, when in our role, we cast our leadership.*

In the 1980s, the *larger-than-life CEO* was in vogue; in fact, including other figures in a study of leadership was unusual. Hollywood director Norman Lear saw business as the dominant paradigm of our time, and he argued that its short-term, bottom-line thinking has a negative impact on society.

Jim Burke, CEO of Johnson & Johnson, once asked me, "Who do you think is the most powerful person in the United States today?" I mentioned a name, to which he replied, "No. It's Norman Lear." Lear's *All in the Family* was more than *entertainment*. It altered attitudes and behaviors. Even as we laughed, we saw how repulsive Archie Bunker's racism, sexism, and smoking were. *Using social satire, Lear was changing society for the better.* I later reflected: Jim Burke was right—Lear's powerful leadership was of the first order.

*Jim was acutely aware of the need to create cultures of candor and transparency* because of his experience in 1982 when eight people died after taking *Extra-Strength Tylenol* that had been laced with cyanide. Every management school studies the exemplary way Jim

responded. He went on *60 Minutes* and told Mike Wallace why he'd decided to recall 31 million bottles of Tylenol, worth \$100 million. The public perceived Burke to be honest, even courageous, more interested in *doing the right thing than in the bottom line*.

Despite dire predictions, Tylenol regained 80 percent of market share the following year.

*Great things can happen when talented people work together with a supportive leader/mentor who seeks to unleash their talents.* The term *mentor* doesn't do justice to what a great one does—the *generosity* a mentor shows. Beyond sharing his or her wisdom, the *mentor* allows the *protégé* to share in his or her achievement, *an extraordinary gift*. Moreover, *the mentor puts his or her reputation on the line with every good word dropped to people in power*; in that sense, mentoring is a pure act of faith. You put yourself at risk, having no real control over how anyone else performs.

*When I look back, I'm stunned by the faith that my mentors had in me*, so much more faith than I had in myself. I had to grow and become the person they vouched for again and again. LE

Warren Bennis is author of *Still Surprised: A Memoir of a Life in Leadership* (Jossey-Bass/Wiley). Visit [www.WarrenBennis.com](http://www.WarrenBennis.com).

**ACTION: Become an authentic leader.**

# Anger Mismanagement

*Avoid excessive political correctness.*



by Steven Berglas

**E**VEN LEADERS WHO are safely tenured can suddenly find their careers derailed by an inability to deal with anger. All leaders must recognize those situations and contexts when being *politically correct* (PC) is self-destructive. This seems counter-intuitive in a nation like ours—*obsessed* with PC and the suppression of hostile, aggressive, words or deeds—yet if leaders always swallow their anger, failing to give voice to negative feelings or inhibiting actions with the potential to *hurt* others, they do so at their peril.

**Michael S. Dukakis**, twice governor of Massachusetts and once favorite in the 1988 campaign for president, may be best known for *why* he lost that race to Bush. Known to be *soft* regarding the punishment of criminals—despite seeing his brother killed in a hit-and-run car accident and his father beaten in a robbery—Dukakis allowed a convicted murderer to participate in a weekend parole program. On his first weekend of freedom following a sentence of *life without parole*, one murderer Dukakis allowed to go free, the infamous Willie Horton, committed assault, armed robbery, and rape.

In a debate, moderator Bernard Shaw asked Dukakis, “Governor, if Kitty (your wife) were raped and murdered, would you favor an irrevocable death penalty for the killer?” Dukakis’ answer, the one seen as costing him the election, was, “No, I would not; I’ve opposed the death penalty all my life.”

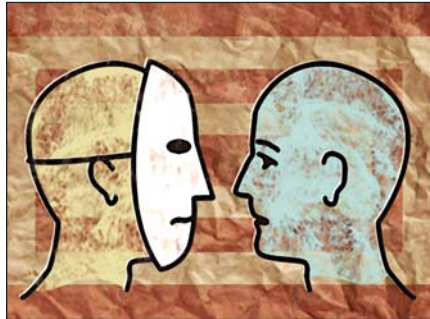
Most Americans are opposed to the death penalty but are more vehemently opposed to the failing manifest by Dukakis—the inability to express appropriate anger such as, “I would not make the state execute my wife’s murder—instead, I would kill him.”

Recently, many politicians, including **Barak Obama**, have been caught making hostile remarks when unaware they were speaking to *open microphones*. Yet surprisingly, few, if any, of those exposed as harboring hostile feelings suffered. Why? Because being PC is like observing the speed limit: *We comply with the law only when we fear*

*getting caught*. When cops are absent, we flaunt the rule.

In a private tête-à-tête, people often say, “This is totally un-PC” before being critical of some person or group who has violated our standards of conduct or ethics. This is common for one reason: Feeling contempt for those who violate our standards and laws is not only a *natural* reaction—it’s a *healthy* one.

In October 2010, while discussing his reactions to 9/11 with Bill O’Reilly, **Juan Williams** said that when he is in an airport and sees people in “Muslim garb” boarding a plane, it makes him uncomfortable. As a result, Williams was fired by NPR. But most people share Williams’ view. This is not Islamophobia, but, rather, a learned association to the trauma of 9/11.



## Benefits of Being Unabashed

When a CEO is conducting a performance review with his COO, this is a time when unabashed candor, PC-compliant or not, is absolutely appropriate. People need unvarnished, direct, no-holds-barred feedback from CEOs; if they don’t get it, they *resent*, or possibly develop *contempt* for the CEO. Everyone loathes ambiguity.

Ambiguity, although it may seem like a benign annoyance, is an intolerable emotional state to endure when the consequences of Windex-clear feedback really matters. Absent *the whole truth*, people reflexively fill informational voids with “worst case scenarios” in order to be prepared to cope.

If your physician performs several blood tests, and you hear nothing back for weeks, assuming *all is well* may buoy your mood, but soon you’ll be plagued by fantasies of every illness that may account for the fatigue. This is a hard-wired reaction: Our minds force us to be on the ready-to-fight ill-

ness in order to maximize the likelihood that we’ll prevail. As Andy Grove noted when he was given the diagnosis of prostate cancer, *knowing the enemy lets you construct a battle plan and begin mounting a counteroffensive. Languishing in ambiguity is akin to fighting a cloud: There’s nothing you can do.*

## Deadly PC Sins

*Well-entrenched, well-respected CEOs are often loath to give negative feedback to direct reports* owing, among other reasons, to a sense of loyalty and *noblesse oblige*: They feel blessed to be where they are, and empathize with how they assume those who receive negative feedback will react. This attitude is beneficial if “tempering bad news” is the result. It is destructive if suppressing bad news is the tack CEOs take. This latter, ill-considered response, occurs most often when:

- *The leader wants the protégé he is grooming to be his successor to thrive, and fears that a rebuke will derail him.* Unfortunately, *boilerplate encouragement is dissonant to any heir to a corner office worth occupying it*—that person values critical feedback from his boss the same way a golfer with an 18 handicap welcomes advice from a golf pro.

- *The leader operates from the perspective that you catch more flies with honey than with vinegar.* This may be true for *flies*, but not *future leaders*. Any junior executive (JE) who knows he’s on shaky ground—as all JEs who merit negative performance reviews do—wants feedback about just how shaky that ground is. When his boss doesn’t tell him the truth, *the JE will assume that the feedback being withheld is so bad his boss is avoiding a discussion of it* until the time comes for him to be axed.

- *The leader believes that in a PC culture, being known as hostile or aggressive has negative long-term consequences*, such as not being invited to sit on boards. Hence, the leader adopts a *he’ll grow out of it or wait-and-see* attitude toward reprimanding direct reports. However, these postures only serve to arouse ambiguity and, ultimately, contempt.

- *The leader fears an open and candid discussion of performance.* This fear is unfounded, since most JEs know what their performance reviews should be before they receive them. Rather than being devastated by negative reviews, *most are relieved to discuss them openly with their boss*. Once Junior hears that he must shape up and start achieving desired results—and will not be fired but has another six months to show what he can do—he is relieved and can

start making amends. Absent an un-PC feedback session, the state of ambiguity he'd be forced to endure makes *Dante's inferno* seem like a Caribbean resort.

**My views on the expression of anger are neither new nor unique.** Aristotle noted, "Anyone can become angry—that is easy; but to be angry with the right person at the right time, and for the right purpose and in the right way—that is not within everyone's power, and that's not easy."

I suggest three guidelines:

- **Before being angry with an employee, map out the issue you wish to discuss to rule-out extraneous influences.** It is said that *success has many fathers while failure is an orphan*. Before you critique the father of a failure, make certain you can intelligently discuss if or how other parties or agencies may contribute to the problem. This precludes the *that's not fair* defense, and makes criticism seem constructive. By showing empathy and sharing a subordinate's view, you seem aligned with him. Absent this full appraisal, you are seen as a pompous ass breaking his chops.

- **When possible, condemn behaviors—not the person.** Duffers don't want to hear, "You suck at golf," but welcome, "you'll drop your handicap by five strokes when you stop choking your club." If you know that it is correct to feel angry with a subordinate whose execution skills are A+ but who is an interpersonal 800-pound gorilla on LSD, take care to get angry about the fact that a *phenomenal talent may be destroyed by his out-of-control temper*. If you segregate a problem, or restrict your anger at poor performance to a manageable issue versus a global deficiency, most people are relieved, and can then focus on what they must do to remedy it.

- **Honesty is the best policy.** Confiding in a person or taking him into your confidences builds his self-esteem and trust in you. One CEO I coached had me shadow a performance review he gave to his chosen successor—a young man he loved like a son. This *heir* was brilliant but abrasive, and the CEO told him so. He excoriated his protégé for at least six aspects of his demeanor that alienated people. After he was done and asked his protégé for comments, the JE said nothing—he just hugged his boss.

*En route* to mastering the ability to express anger appropriately, remember the words of **Winston Churchill**: "Criticism may not be agreeable, but it is necessary. It fulfills the same function as pain in the body—it calls attention to an unhealthy state." LE

Steven Berglas is an executive coach and author of *Reclaiming the Fire, and The Success Syndrome*. Visit [www.berglas.com](http://www.berglas.com).

**ACTION:** Observe these three guidelines.

## Being in Leadership

*It is a lot like being in love.*



by Chip R. Bell

SUPPOSE THAT IN THE year 3010, students of history are studying famous leaders of our era. Who would be mentioned? If you go back 1,000 years or more, how many leaders can you name from the year 73 BC to 1010 AD? Remove from the list those people in positions of rank (kings or emperors). Now, how many leaders can you name?

One name that made history from that era was **Spartacus** (100 BC). He was a soldier, gladiator, and led a successful slave uprising against the Roman Empire. His leadership of a *million* slaves came from *his capacity to influence*. He was a lover of freedom, and he wished for all his colleagues a similar life.

**His philosophy was laced with love for his followers.** His life was romanticized by the hit movie with a cast of Kirk Douglas, Tony Curtis, Jean Simmons, Lawrence Olivier, and Peter Ustinov. He was portrayed as deeply sensitive, incredibly courageous, and passionate about his followers and his purpose.

We associate the word *love* with the strong feeling of affinity. When people are *in love*, they feel an intense sense of purpose, passion and connection with the target of their affection. *The essence of leadership is to create in others such clarity of purpose, boldness of spirit, and unanimity of action that they derive confidence, trust and a sense of wholeness.* Notice how similar *being in love* is with *being in leadership*.

**Great lovers are superb communicators** who strive to be empathetic and understanding. Great lovers are caring, considerate and attend to what's important. They are generous and resilient—they give more than is required; hang in there longer than expected, and engender trust through authenticity.

**These features fit most great leaders.** *Leadership is love; love is leadership.* Love and leadership both influence people to sacrifice. Love and leadership cause people to act out of their higher self. Remember Jack Nicholson's line to Helen Hunt in the movie *As Good As It Gets*: "You make me want to be a better

man." Leaders help followers become better people because they value, cherish, and care about them.

Convergys conducts an annual survey across industries to discern *what is most important to customers*. They also survey employees who serve customers to learn of employee priorities. Nearly half of employees (44 percent) indicated *they did not believe their company values them*. In an era of cutbacks, do more with less, and expense tightening, such sentiment is not surprising. But, the dire assessment is unnecessary.

When I was 14, my dad lost his job as the manager of the local bank. The new bank owners elected to put *one of their own* in the leadership slot my dad had held for years. Suddenly we were *nearly poor*. Our family did without, took on extra paying chores, and did our share to weather the tough times until my dad got another job. But, *never once* did my brother, sister, or I feel we were not valued. Tough times do not have to be associated with indifference, uncaring, or distant leadership. In fact, when leaders show love for their people, it fosters a *let's pull together* attitude, even as workers are trimmed.

We once consulted with a large utility that faced a 15 percent reduction in payroll. Some divisions directed units to cut their headcount by 15 percent. Leaders went behind closed doors to decide who would go and stay. But, one large division called a meeting of *all employees*, candidly outlined the challenge, and engaged *everyone* in finding solutions. Some employees volunteered to work half time or fewer hours; some opted for early retirement; and some offered other creative ideas to meet the goal. No one enjoyed the experience, but no one felt unvalued by leadership.

**Now, back to Spartacus.** After the *severely outnumbered* slaves were defeated by the Roman Army, the Emperor coveted the head of Spartacus, leader of the revolt. Surveying the field of defeated survivors, he announced that if any of them would reveal Spartacus, they'd be freed. If they did not, they'd be crucified. Each survivor stood and proudly proclaimed, "I am Spartacus!"

Only followers who serve with a leader who loves them would boldly communicate such devotion. LE

Chip R. Bell is a customer loyalty consultant and author (with John R. Patterson) of the book *Take Their Breath Away: How Imaginative Service Creates Devoted Customers*. [www.chipbell.com](http://www.chipbell.com)

**ACTION:** Be a great lover of leadership.



# Lead with Energy

Apply the resilience principle.



by Kevin Cashman

FOR MANY LEADERS, work-life balance has become increasingly relevant and unrealistic. With so many obligations, expectations, and 24/7 connectivity, our resilience and energy are tested. Most days begin like a *sprint* and turn into a *triathlon* of meetings, presentations, tough decisions, and a string of unexpected personal, professional and marketplace crises.

I note *eight distinctions* in how managers (vs. leaders) deal with this dynamic.

- **Managers spend energy as they fight through tough realities; leaders generate energy by creating new realities.** By shifting from *time management* to *energy leadership*, we open up a new perspective and formula for *sustained energy and resilience* to deal with daily demands. When we're calm, focused and above the fray, we are more on top of the challenges. When our energy is low or manic, everything (even small events) seems on top of us. If we apply Ralph Waldo Emerson's *the world belongs to the energetic* principle, we could also say, *Leading in challenging times belongs to the most energetic.*

- **Managers control to avoid crisis; leaders thrive in the game-changing, mind-changing and system-changing potentiality of crisis.** In any crisis, our ability to cope or contribute is directly related to our level of value-creating energy. When crisis is on top of us, our energy wanes; when our energy is bigger than our circumstances, we are on top of crisis. As managers, we tend to rise or fall with every success or failure. As leaders, we rise or fall in relation to our sense of purpose-fueled energy, that *unshakeable* (sometimes *irrational*) sense that in spite of it all, *we'll prevail and make a difference.* While great leaders like Gandhi or Mandela experienced moments of low energy or purpose, by-and-large what they sought to contribute was catalyzed, stimulated, and magnified by the systemic crisis and oppression they *deeply wanted* to change.

- **Managers become mired in have-todos, thereby depleting energy; leaders seek want-todos, thereby restoring energy.** Many managers would say that

their work is a raging stream of *have-todos*. They tend to feel overwhelmed. High-performing people naturally want to achieve more. Each new *convenience*—like smart phones, texting, and emails—delivers some *efficiency*, but add new things to do. Is it possible that *doing more and more* is not the answer? At a time when people need to draw on resources of energy and drive, the reserves may be depleted. Hence, most leaders focus on *want-todos* and find ways to refresh and revitalize to stimulate productivity and satisfaction.

- **Managers try to manage time, to get more out of people; leaders seek to foster energy by investing more in people.** As Tony Schwartz and Catherine McCarthy report: "The problem with working long hours is that *time* is a finite resource;



energy is not. Defined in physics as *the capacity to work*, energy comes from four wellsprings: body, emotions, mind and spirit. To effectively reenergize people, (leaders) shift from *getting more out of people to investing more in them*, so they are motivated and bring more of themselves to work. To recharge themselves, (managers) need to recognize the costs of energy-depleting behaviors and then take responsibility for changing them." *Tangible financial results accompany these conclusions, as well as improvements in customer relationships, engagement, and satisfaction. Resilience and energy fuel results.*

- **Managers tend to focus on limited resources (time, money) while leaders tend to focus on investing in unlimited resources of energy, purpose, engagement, vision and contribution.** We need to shift from *managing our time to supporting and managing our energy*—the fuel that helps us get things done, take on difficult challenges, and be present in relationships. We also need to have the *physical energy* necessary to perform, which requires *physical self-care*: good

health, good nutrition, exercise, sleep and rest that support our productivity. Beyond that is the *natural energy* derived from engagement in life-affirming, meaningful activities, as opposed to activities that drain our energy and are devoid of meaning. When we have to force ourselves to do something, we feel deflated, tired, bored and anxious to find a way to put it off. When we can do something we really enjoy and has significance to us, our energy is more available and abundant.

- **Managers hope to find life balance; leaders discover their own resilience formula for generating sustainable energy.** We need to shift from trying to find *life balance* to generating sustainable energy in our life and leadership. This is no easy task. As we expand the scope of our contribution at the top, we must also expand our energy and resilience. During an intense crisis, a CEO client reflected: "In the past, this crisis would have been all-consuming. This time, because of the energy-building practices of exercise, meditation, and reflection, I felt stronger, on top of the crisis."

- **Managers control to minimize risk and maximize results; leaders trust to multiply opportunity and optimize long-term sustainability.** As leaders, we must both *manage and lead*, both *control and trust*. However, when *control* becomes the *modus operandi*, we squeeze the life, energy, resilience and innovation out of our teams. Assuming we have the right mix of high-performing talent, letting go and trusting more will activate this talent to perform at a higher level. If you can't trust, because you don't have the right talent, then *you* are the problem! You need to get/develop the right talent, and let go of your control.

- **Managers tend to focus on goals; leaders try to focus on purpose.** Purpose may be the single greatest energy and resilience builder. Finding the intersection between our unique talents and how those talents can make a meaningful difference in the lives of people is the essence of energy-catalyzing purpose. Purpose can't just be a concept, phrase, or plaque on the wall—it must be an authentic, conscious, life-organizing experience. Purpose is like a thread that runs through all our roles, titles and identities and informs our contribution and aspiration in each of them.

Increase your *resilience* and *energy* in order to face challenges with renewed *strength, grace, purpose, and contribution.* LE

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**ACTION:** Lead with higher energy.

# Employee Commitment

*Nine leadership behaviors drive it.*



by Joe Folkman

IN TIMES OF ECONOMIC trouble, we see layoffs, furloughs, pay cuts, and budget reduction. *Morale* is often low among employees who retain their jobs. *Productivity* suffers, as well as *employee satisfaction*. Some people have lost hope, and faith. Some managers and leaders look for a place to hide until the storm blows over; however, those leaders who focus on their own leadership effectiveness can actually boost employee satisfaction and commitment, thereby increasing productivity and profitability.

To determine the effect leaders have on their people's job satisfaction and commitment, we surveyed 100,000 people in many enterprises. We examined 49 behaviors that evaluated 16 leadership competencies. We then isolated the top leadership behaviors that created a satisfied employee who is highly committed. Leaders who exhibit these behaviors have the greatest impact on results.

The factor that influences employee satisfaction and commitment the most is the effectiveness of the immediate manager. So, the quickest, most reliable way of increasing employee satisfaction and commitment is to provide them with more effective managers and leaders.

## Nine Key Leadership Behaviors

Improving *nine leadership behaviors* has the greatest impact on employee satisfaction and commitment:

**1. Inspire and motivate others.** Leaders who effectively inspire and motivate others have high energy and enthusiasm. They energize their team to achieve goals and increase performance. Many leaders focus on *accomplishing tasks* but forget to *inspire people*. Without inspiration, employees do an adequate job. However, when inspiration is a focus, leaders unlock additional effort and energy. *Every leader needs to find ways to inspire people* to higher performance.

**2. Driving for results.** The drive for results is vital; however, some leaders are all *push* (drive for results) and no *pull* (inspiration), which reduces motivation. A healthy balance is necessary. *Leaders who are effective at driving for*

*results are skillful at getting people to focus on and stretch for the highest priority goals.* They set *high standards of excellence* for the team. They ask their employees for higher performance and remind them of their progress relative to the goal.

**3. Strategic perspective.** Leaders who provide their team with a *definite sense of direction and purpose* have more satisfied and committed employees. These leaders paint a *clear perspective* between the overall picture and the details of day-to-day activities. They constantly reinforce where the organization is heading and the steps that lead to success. Employees see how their hard work makes a difference, and how it helps the organization achieve success.

**4. Collaboration.** One challenge is the *lack of collaboration*—one team is competing for *resources or recognition* against other teams; information is not shared;



customers are not well-served; and work often gets stalled. This conflict frustrates and discourages employees. Leaders who promote high cooperation create a positive and productive culture. When leaders show that they can achieve objectives that require a high cooperation, they create synergy, and everyone enjoys the work more.

**5. Walk the talk.** *Being honest and acting with integrity* creates a more satisfied and committed workforce. Leaders need to be *role models* and set a *good example*. Leaders create cynicism and lose trust when they *say one thing and do another*, such as telling employees that the budget is tight and to curb all expenditures, but then stay in 5-star hotels and eat in expensive restaurants. Every leader needs to examine their behavior and ask, "Am I walking my talk?"

**6. Trust.** Leaders engender trust by becoming aware of employee concerns, aspirations, and circumstances; projecting deep expertise, knowledge, and confidence in making informed deci-

sions; being consistent and predictable; and exhibiting honesty and integrity. When people know that their leaders would never tell them anything that is not accurate and factual, *they trust them*.

**7. Develops and supports others.** When leaders help employees to develop new skills and abilities, employees have higher satisfaction and commitment, and become higher performers and more promotable. *Effective leaders are thrilled by the success of others*. They promote development by creating a learning environment in which people are encouraged to learn from mistakes, take the time to analyze their successes, and understand what went well.

**8. Building relationships.** Leaders who stay in touch with employee concerns engender higher employee satisfaction and commitment. Such leaders balance *getting results with a concern for others needs*. They balance individual needs against organizational goals and deadlines and demonstrate that they value individuals as they seek results. They create strong positive relationships with team members.

**9. Courage.** The leaders with the *highest employee satisfaction and commitment* are courageous. They don't shy away from conflicts. They deal with issues head-on; when they see the first signs of problems within their teams, they address it directly and candidly. Leaders who assume that *conflicts will work themselves out* and that *problems will disappear* only fool themselves. It takes courage to address issues, resolve conflicts, and hold people accountable.

## Next Steps

*These nine behaviors have a big impact on the commitment and satisfaction of employees.* You likely need to improve in one or more. When selecting an area, ask these two questions:

**1. Do you have a fatal flaw?** If any of these behaviors are *major weaknesses*, they'll crush the satisfaction / commitment of a team. So, if you have a *fatal flaw* in any behavior, your primary effort should focus on fixing the weakness.

**2. Do you have profound strengths?** If you don't have *fatal flaws*, seek to develop a *profound strength*. Leaders with profound strengths have higher employee commitment and satisfaction. So, build a few profound strengths. Start with one. Choose the behavior that you feel would have the greatest impact and start building a profound strength. LE

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**ACTION:** Engage in these nine leadership behaviors.

# Leadership Strategy

*It's the signature determinant of legacy.*



by Sheila E. Murphy

**I**N AN ERA DEFINED BY economic downturn, many leaders have replaced their aim for *innovative achievement* with a quest for *survival*. Never before has a leadership strategy been more acutely needed. Such a strategy must represent a structured approach to ensuring vibrant, productive, and consistent top-level direction. Four features characterize a *leadership strategy*:

**1. Leadership strategy is greater than the sum of individual organizational strategies.** My executive clients and I work closely on architecting an all-encompassing strategy, from an external vantage point. It is critical that the leader benefit from outside vetting of the ideas, to avoid any internal agenda. The resultant *leadership strategy* is the primary structure for defining a leader's era. Many CEOs are surprised when I ask about their *leadership strategy*. One leader turned to the *merger and acquisition strategy* for growing his firm (this strategy constitutes a subset that functions a step down from the leadership strategy). Another executive began explaining the *marketing strategy*. Both individuals have stepped back to explore the questions: "What is the signature guiding strategy that underlies all growth and development in your era?"

**2. Leadership strategy is perceived by the board, shareholders or stakeholders, and customers as the primary value for dollars invested in the CEO's presence at the helm.** The strategically focused leader brings a high degree of thoughtful and well-constructed success patterns. The uniquely crafted strategic approach is perceived by all key audiences as the guiding intelligence for applying the vast array of resources under a particular leader. Integral to the leadership strategy is the sense of clarity and alignment provided by a strategic anchor.

**3. Executive leadership strategy defines the era of a given leader.** The strategy will be perceived directly by those executives living the experience. Further, the strategy and its yield will be observed later in the form of a more public legacy. A solid leadership strate-

gy encompasses content and approach, and offers an answer to the question: *How does this person's guidance of the company stand out from that of others in similar situations?* Leaders establish and reveal enlightening trends through their: creation of or response to given trends; decision-making that averts or re-positions periods of crisis, and inaugurating or culminating defined *leadership eras*.

**4. An intentional, vast-in-scope, and all-inclusive strategy guides the organization through numerous challenges that otherwise might be treated as independent events.** Establishing the *leadership strategy* as the primary vehicle for decision-making enables the leadership team to effect consistent and lasting change.

The best of all worlds would have leadership strategy be well-crafted and



directed toward the needs of the situation. Under the leader's guidance, the strengths of the C-Suite must be meshed with the needs of the organization within the marketplace. Leaders who recognize their current and developing talent base, and gaps indicative of opportunities within the marketplace, clearly see and act upon a *strategic vantage point*.

The presence of a vivid *leadership strategy* clarifies questions about a particular executive leadership era, namely:

- **Mindset and Message.** Who is the CEO, and what does s/he value? What direct and indirect message comes from appearances by this major figure, directly, in the media, and before shareholders and the board? What does this leader stand for? What service attitude is projected by what he or she does, in addition to what he or she says?

- **Discovery and Decisions.** How systematically do the leader and organization learn? How are the most pressing decisions vetted? What does the organization do with its findings? How nimble and how thorough are its deci-

sions? What yield is gained? How unusual and effective are the decisions? How expected or unexpected are the actions taken, and what critical occurrences follow them? Is there a sound and logical succession plan in place throughout the organization?

- **Energy and Expectation.** In what visible way does one define the executive team? Are they *out there in front*, or *behind the scenes*? Many leaders bring strong technical knowledge and skills to their position, yet can be strengthened further by an ability to crystallize the message and project a clear set of expectations. How well do its primary audiences (customers, shareholders, and employees) know what is planned and projected? How vivid and trustworthy is the message? What is the signature investment of energy of the C-Suite team in getting out the message?

- **Drive and Delivery.** How much pulse is apparent in leadership messages, personal actions, and ensuring full follow-through in what takes place? What level of commitment comes through in words and actions? I often ask my clients *how their direct reports are positioned to ensure comprehensive follow-up at the division level. What methods are in place for anticipating and correcting errors before they are known by the customer?*

- **Customers, Change, Choreography.** How well does the organization know and evolve in response to meeting and anticipating its customers' needs? Is the movement toward reinvention of key services part of the normal business cycle? To what extent is the firm positioned to identify *unique market opportunities* for the future they project?

- **Measurement and Mobility.** Is the leadership tuned to what's shown by its numbers? How fluidly and rapidly does the C-suite team respond? Are the right tools in place to capture the most vital signals demonstrating success in execution? How easy is it to adjust method, geographic access, and mode of operation for the primary services?

A *leadership strategy* offers a vivid and direct way to add measureable energy and commitment. *The most powerful leaders maximize their uniqueness, delivering and acting upon the exceptional traits for which they were hired, through a strong strategic direction that defines their legacy.* The most successfully conscious leaders provide the greatest hope of overcoming a turbulent economic environment, in favor of meaningful growth. **LE**

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**ACTION:** *Hone your leadership strategy.*

# Bench Strength

*It's vital to sustain success.*



by Howard M. Guttman

**B**ENCH STRENGTH IS key to the success of every sports team.

It's an equally critical factor in the success of leadership teams. Investing in tomorrow's leaders is one of the best ways an organization can sustain success far into the future. Neglecting to do so is bound to result in a talent void that leads to mediocrity in the short run and, over time, diminished business results. In a perfect world, there would be no limitations on the resources available to invest in up-and-coming leaders. Organizations would be able to give every promising young manager all the skills and support needed to prepare them to take over the reins. It's a pleasant dream, but in a world where doing more with much less has become the norm, it's further than ever from reality. So, given the real constraints under which companies must operate, how can today's executives green the next generation of leaders? The challenge is especially acute when you consider that tomorrow's leaders are likely to come from the pool of middle managers who typically aren't given coaching support, despite the increasing performance pressure they face.

Organizations may not be able to provide high-potential employees with *professional coaching*, but they can provide them with a sound *coaching process* that they can use to acquire the leadership skills that propel them ahead.

For over 20 years, I've coached hundreds of leaders using a rigorous, disciplined process that follows *seven steps*: 1) Determine the person's coachability; 2) Select and commit to an intention; 3) Identify a mentor and stakeholders; 4) Solicit feedback; analyze and respond to feedback; 6) Develop and act on a game plan; and 7) track success and recalibrate.

*Self-coaching* is a variation on the executive coaching process. For example, in the absence of a coach, the individual who wants to self-coach must determine his or her own *self-coachability*; instead of having a *mentor* and *stakeholders* identified by the coach,

self-coachees need to select their own *Guide* and *Circle of Support*. Having a process in place can't ensure success.

## Three Preconditions

*Three preconditions must be in place* for coaching or self-coaching to "take." As a leader, you can help your talent to self-coach by ensuring that these three preconditions are met.

*First, the coachee needs accurate data to understand the current "actual" and what winning looks like.* We are often called in to coach an executive who is doing quite well but would like to take his performance to a higher level. The person's manager or a HR professional briefs us on the situation and provides us with initial data. In subsequent interviews with the potential coachee, we use a number of qualitative and



quantitative tools to gather more detailed information on the situation.

In the absence of a *professional coach*, you can meet with individuals in your area of responsibility who have an interest in self-coaching to provide some initial data. You can point out behaviors that they can modify, eliminate, or adopt: *Do they need to speak up more at meetings? Lead by influencing rather than commanding? Become more politically savvy? Deliver on promises? Learn to be less sensitive to feedback?* By providing an accurate, unvarnished description of their behavior and the things that need to change, you help them set a realistic intention that will serve them well.

*Second, the coachee needs a Guide—someone who is in a position to observe his progress and help him stay on track.* Our initial information about a potential coachee usually comes from a third party: the boss or a member of the HR function. In effect, this person is the coachee's mentor, or Guide: the point person throughout the coaching, who

receives updates from the coach and coachee and helps them over rough spots in the road.

Without a Guide, it's easy to derail and not know how to get back on track. As an observer who is on the scene yet remains objective, a Guide can spot trouble in its earliest stages and recommend adjustments to the self-coachee's plan. A Guide should be someone who is in a position to assess the self-coachee's progress on a regular basis as he or she tries to move his or her game ahead with new, positive actions. The Guide needs to be completely honest, willing to hold up the mirror so that the self-coachee can view him- or herself, warts and all.

As a leader in your organization, you know what it takes to get ahead and what behaviors are likely to hold a person back. You have been there, done that. You would be an excellent Guide for your direct reports and others with whom you work on an ongoing basis. In other instances, you may be able to assist self-coachees in selecting a trusted colleague to play this role.

*Third, the coachee or self-coachee must be willing to go beyond his or her comfort zone, drop defenses and become vulnerable, to take a leap of faith in order to improve his or her life.* Self-coaching requires a deep commitment and hard work. *Not everyone is a good candidate.* I have developed a *menu of questions* that people can ask to determine whether or not they are *able, ready, and willing* to permanently change their behavior: *Do you acknowledge that there are areas that you need to change or improve? Can you take a depersonalized look at yourself and your situation? Can you make an objective but not overly critical evaluation of your behavior? Are you convinced that you have significantly more to gain than to lose by going for your Intention? Are you willing to accept your support group's honest feedback and not be defensive or resentful?*

While the *final answers* to these questions have to come from the self-coachee, the preliminary soul-searching can take the form of a *dialogue* instead of a *monologue*. Sharing your thoughts—if asked—may spark *self-insights* in colleagues. Your follow-up questions may cause them to think deeply before answering.

Self-coaching offers a way to *enhance leader bench strength* while proving to potential leaders that you really believe that *human capital is your greatest asset.* LE

Howard M. Guttman is principal of Guttman Development Strategies, and author of *Coach Yourself to Win: 7 Steps to Breakthrough Performance on the Job and in Your Life* (McGraw-Hill). Visit [www.coachyourselftowin.com](http://www.coachyourselftowin.com).

**ACTION:** Build your leadership bench strength.



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**STEVE ARNESON**

*Foreword by Dave Ulrich*



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# Avoid Mojo Killers

*Deal with the facts and culture.*



by Marshall Goldsmith and Patricia Wheeler

IN EARLY 2009 I WAS TALKING WITH A lawyer named Tom about the bankruptcy of the large law firm where he'd been Vice Chairman. It was a 120-year-old firm, specializing in a part of securities law that had vanished overnight with the financial meltdown. As one of the firm's leaders, Tom was besieged by the departing attorneys for advice. Most had never experienced such a setback, and they felt lost.

I asked Tom what advice he gave them. He started telling me about his first year in law school. "A big part of our training," Tom said, "was to interpret a pattern of facts so we could advise a client. Our teacher gave us a hypothetical set of facts and went around the classroom asking, *What would you do?* Every student responded with a course of action. The answers weren't always correct; sometimes they were desperate. But the students always came up with a rationale, something to act on. At no point in these exercises did anyone say, 'I'm going to wait until the situation changes.'

"Yet," he continued, "that's what many attorneys (and others) facing setbacks, do. They tell themselves, 'I'll be okay when the economy improves.' " "In other words," I said, "they're doing the opposite of what they were trained to do in law school.

"Yes," Tom said. "They wait for the facts to change to something *more palatable*. They refuse to accept that *the situation has already changed dramatically—and it's unlikely that things will go back to the way they were*. They deny the way history works—they *deny the evidence*."

"So what did you tell them?" I asked.

"I said that *the firm we worked for is not coming back*. It wouldn't magically return when the economy revives. Something else may take its place, but we don't know what that will be. And you can't wait around for the situation to change. You have to come up with a course of action, like we did in law

school. *Find another way to use your skills*. There are many options; just don't wait for a new career to come to you."

Waiting for the facts to change—rather than deal with the facts as they are—is a common response to a setback. But when leaders wait for uncomfortable facts to change into something more to their liking, they're engaging in wishful thinking. The result is often *under-acting*. Instead of doing something, you're frozen in place while you wait for a more comforting set of facts to appear. In a world that's constantly moving forward, this is akin to moving backward. And it is a Mojo killer.

When the facts are not to your liking, ask: "What path would I take if I knew that the situation would not get better?" Then get ready to do that. If the world changes in your favor, you haven't lost anything. If the facts don't change, you're ready to face the new world.

## Crack the Culture Code

When we help clients, we use a common phrase: when *culture and change collide, culture always wins*.

When it comes to *leaders in new roles*, it doesn't matter how smart or successful they've been or how confident they are in their abilities: understanding and influencing cultural behaviors and norms is the single most important factor accounting for success or failure.

Consider the experience of my client *Martin*, a new VP in an engineering company. He was charged to upgrade product quality and cycle time. He'd been with the company for 10 years, mostly in a unit known for *quality results and speed of execution*. His status as rising star in his former role was a major reason he was promoted. Martin strode boldly into team meetings, eager to turn things around. He was dismayed to learn that soon after he instituted change, his peers and direct reports complained about his *arrogance* to his boss. Martin was blindsided; how could they have misunderstood his intentions?

I asked Martin: *What do you know about the culture of this business unit?*

*What qualities and behaviors are highly valued? What is the pace and process of team meetings? Who are the most knowledgeable and influential members? Who are their heroes? How are decisions made?*

Martin wondered: *How does this relate to getting results?* He needed to speed up, not slow down. I assured him that pausing to understand the *cultural context* in which he operated would lead to *more speed and better results*.

MIT researcher Edgar Schein defines *culture* as *the pattern of assumptions that a group invents, discovers or develops in learning to deal with the problems it encounters*. Solutions that work *well enough to be considered valid* are taught to new members as *the right way to think, perceive and feel*.

*Culture* isn't about what's absolutely right or wrong, with a few notable exceptions—it's *the vehicle through which we*

*transmit our values and teach new group members what leads to success and failure*.

Every culture is the product of its own experience and stories. When the basis for *appropriate behavior* as defined by a culture goes underground, the culture becomes unaware of itself. Hence, as a leader, you need to develop awareness



of how culture operates, particularly when you are in a new role, or when you are tasked with executing substantial change. Those who ignore its importance do so at their own peril.

Skeptically at first, Martin began asking questions of his team. He discovered that although the previous VP had not met her targets, she was valued for her warmth and sense of humor. In his urgency for change, he had *focused on tasks* almost to the exclusion of getting to know, and engaging, his people.

Knowing the history, learning who the key influencers are, knowing the unspoken but powerful rules of the road is vital in a new role—and to be seen as credible. This takes some time and relationship building, along with recognizing the strengths of the old organization even as you state a compelling case for change. Change agents in new positions who fail to grasp this often fail, as *the passive resistance of culture wins over even the most needed change*.

Although Martin felt that he was slowing down to listen and learn, his connections accelerated progress. LE

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**ACTION:** Beware of mojo killers.

# Supercompetency

Master six keys to productivity.



by Laura Stack

**Y**OU BECOME SUPER-Competent by using six keys to productivity:

**Key 1: Activity.** Activity reflects importance, direction, and priority. *Being busy* and *being productive* are different. Activity involves knowing your goals, and achieving them in a way that wastes little energy and time.

To boost Activity, try these tips:

- *Know why you work hard and what you are trying to achieve.* You can't be highly productive if you don't know what you're working for. Set goals and dreams, and work to achieve them. Learn what makes you tick, own your destiny, and focus on your mission.

- *Know what to do, when to do it, and why.* Take initiative—do what needs to be done when it needs to be done.

- *Create systems to perform tasks more efficiently, so you can leave the office on time.* Don't be gulled into working harder by stuff that was supposed to make your life easier.

- *Regularly rest and recharge yourself.* Take a break when you need to! As long as you don't become a slacker, taking time off can be one of the healthiest, most productive things you do.

- *Do the day's most profitable and valuable tasks first.* Learn to delegate. Put the most important tasks at the top of your list, and *work through them first.*

Productivity is about reaching high-value goals. Nobody cares how many things you crossed off your list or how busy you were last week if key projects fall through the cracks.

**Key 2: Availability.** *Protect your time from everyone who wants a piece of it.* Say no when appropriate, delegate, cancel unnecessary meetings, let some tasks go.

To hone Availability, try these tips:

- *Refuse requests when appropriate.* Say no graciously. If you're good at what you do, you'll always get requests for help. But you can't do it all.

- *Set appropriate boundaries.* You'll face **six Ds:** *Deadlines, Disruptions, Dependencies, Discrepancies, Distractions, and Drop-Ins.* Don't let others use these to slow you.

- *Push a task down to the lowest level of responsibility.* Don't waste your time on tasks other people can do more cheap-

ly. Delegate, and let people do their jobs *without micromanagement.*

- *Schedule your day realistically around your key activities.* Before you accommodate other people's needs, tend to your own first. Control your schedule.

- *Weigh the results of attending meetings against the results you could produce.* Instead of dropping everything to attend a meeting, see if you can send a proxy, attend by phone, or cancel it.

*Availability* means more than just *being there* for others when needed.

**Key 3: Attention.** *Attention is the ability to concentrate—to be focused on getting the job done, on the task at hand.*

To boost Attention, take five tips:

- *Stay focused on your work.* Don't get distracted. Any interruption breaks your concentration, wasting minutes.

- *Leave distractions for downtime.* When



you're supposed to be working, work. Wait for breaks to check social media.

- *Limit your multi-tasking in order to maximize your productivity.* You can't focus on more than one or two things at a time. Prune your task list.

- *Don't allow socializing to overwhelm your productivity.* Yes, you need to interact with the people around you—but don't let it get out of hand.

- *Don't let your productivity technology take over your life.* At the end of the day, turn off all your tools.

Attend to your work. You'll get more done—and feel much better.

**Key 4: Accessibility.** Accessibility is the ability to *organize inputs and outputs.*

Being *productive* requires being organized, having systems so you can find what you want, when you want it. To gain Accessibility, apply these tips:

- *Develop simple systems, so you know where everything is at all times.* A clean desk is a sign of a productive mind.

- *Set up an easy-to-follow scheduling sys-*

*tem, and stick to it.* Always know where you're supposed to be at any particular time. Manage your appointments, meetings, things to do; and reminders.

- *Don't get distracted by technology.* You are the boss, not your PDA or smartphone. If you organize your files, emails, and other communications as they come in, you won't be overwhelmed later.

- *Track your contacts and communications.* Track contact information, histories, and pending communications.

- *Don't waste travel time.* Use the time to get ahead so you'll have more free time later. Prepare for trips in advance.

When you travel, rather than just sit back and relax, work a bit. You can then spend more time enjoying life at home.

**Key 5: Accountability.** *Accountability recognizes that the buck stops here.* It's about the promises you make to yourself and others, being responsible for who and where you are. Practice these precepts to achieve high Accountability:

- *Take responsibility for your time and productivity.* Never blame anyone else.

- *When a process seems inefficient, make it easier for everyone.* Just because something is done a certain way doesn't mean it's the best way to do it *now.*

- *Rather than waste productive time, get right to work.* Breaks are necessary, but don't overindulge in them.

- *When you have all the information you need to proceed, make decisions immediately.* Don't let worry or social inertia slow you; motion beats meditation *every time.*

- *Understand the difference between being busy and being productive.* Don't let little tasks keep you from achieving *big things.*

Accountability boils down to personal responsibility for your productivity.

**Key 6: Attitude.** Attitude is your motivation, drive, and pro-activity.

To hone your attitude, take five tips:

- *Keep an eye on your stress.* Negative emotions, stress, worry, and anger impair your productivity.

- *Even when a task is monumental, keep working at it until you whittle it down to size (manageable subtasks).*

- *Unleash your creativity and apply it to problems at work.* You may discover a new, simpler way of doing things.

- *Learn to communicate clearly.* Avoid misunderstandings and mistakes. Learn to deal with difficult personalities, emphasize teamwork, and play nice.

- *Look for a silver lining in situations.* Be positive. Reframe *challenges* and *problems* as *opportunities.* Some of the *most spectacular successes* start as *spectacular failures.* **LE**

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**ACTION: Boost your productivity.**

# Great Leaders

What makes them great?



by Stephen Xavier

**G**REAT LEADERS HAVE a unique combination of qualities. They think strategically and with vision and can execute, yet are flexible. They are politically savvy, yet have high emotional intelligence, compassion and empathy. They are assertive, yet humble; trustworthy, and trust others.

They also wear many hats comfortably—they are relationship builders, mediators, advocates, strategists and executives par excellence. Their ability to comprehend and master complex situations—market trends, changing economic and political climates and the organizational complexities of people and process—gives them a global perspective that fosters unique ways of making decisions and marshaling resources and always, for the greater good of the organization as a whole. Their ability to rally people around meaningful causes generates breakthrough thinking and opens new opportunities and markets, creating ROI.

*This unique combination of qualities makes them exceptional coaches and mentors*—servant leaders who focus on meeting the needs of those they lead, knowing that support base must be strong for them to succeed. What makes great leaders great is their ability to translate their own experience and success and, then through coaching and mentoring, bring out the best in others.

## What Does It Take?

“Leaders as mentors and coaches bring tremendous value because their experiences, when shared appropriately, offer a development opportunity to employees unparalleled by external consultants,” says **David Yudis**, a leadership development executive at Disney. “And, the process of coaching and mentoring benefits the leaders. In developing these skills, leaders learn to bond with their people, while being able to evaluate and raise their awareness of their own strengths and weaknesses.”

Coaching and mentoring, in the purest sense, are about teaching and guiding, respectively. As coaches, great leaders teach, as mentors they guide.

Both are best done by example in the form of giving advice and providing insight grounded in broad experience.

Let’s examine *four specific qualities* of great leaders that are indispensable for them to be successful and effective:

- **Perspective.** Leaders are typically one level above the members of their teams. A coach or mentor, on the other hand, should ideally be *two or more levels* above the individual being coached or mentored for the broadest possible perspective. Southern California Edison, a large power utility, has a mentoring program, where a senior executive from the transmission side of the business mentors a lower-level manager on the customer service side. Leaders who start at the ground level and work up make effective mentors because they have a broad and deep knowledge of the company and insight into its future. They can provide a periscope view that isn’t available from an immediate boss.

As a coach or mentor, a leader can also provide perspective on the impact of another executive’s actions. “The higher one rises, the less feedback one is likely to receive from subordinates,



peers and even superiors,” says Yudis. “A coach or mentor can provide executives with an *unbiased perspective* on their effectiveness in a safe environment.”

- **Clarity.** “Leaders are sometimes not aware that a message they’ve communicated was never understood and thus could not be followed,” says **Mark Hoffman**, VP of HR with St. Jude Medical’s Cardiac Rhythm Management Division (CRMD) in Sylmar, California. “What is missing is a strong leadership communication position. Even though the leader may be *walking the message*, he or she is *not talking it*. The result is disharmony and misalignment. At SJM, we’ve developed two leadership programs that reverse the old phrase *walk the talk* to equip our leaders with the skills they need to *talk the walk*. The first, *Leadership for Extraordinary Performance*, is based on the five leadership practices listed in *The Leadership Challenge* by James Kouzes and Barry Posner. It helps leaders gain a better understanding of the difference between leadership and

management. We believe that the organizations that excel and sustain their successes are those that have learned how to combine great leadership skills with great management process.”

To sustain momentum, CRMD has developed and launched a complementary program that reinforces these skills through practice. In *The Sixth Practice: Getting to the Heart of Leadership at SJM*, participants spend a day practicing the five Kouzes and Posner *leadership skills* in relation to specific issues. The next day is spent on *The Sixth Practice*, leadership communication. Participants learn the three basic elements—symbols, facts, and emotion—that must be present for a coherent, memorable message. Assisted by audio and video feedback, they coach each other in improving their communication skills. We’ve received tremendous support and positive feedback for the program, so we know we’re on to something that will strengthen our leadership.”

- **Visionary thinking.** An example is former basketball star Earvin “Magic” Johnson, Jr., CEO of Johnson Development Corp. His mission is to be the nation’s foremost development company through enrichment of underserved markets. Rather than follow the trend set by many retail businesses and service providers that dismiss urban communities as economic wastelands, he regards them as renewed frontiers to introduce viable business enterprises and realize solid financial success.

- **Emotional intelligence.** Great leaders distinguish themselves by having high EI. This manifests as a sense of vulnerability. They share their successes and failures. They openly articulate lessons learned to *teach and inspire* others. They also recognize that, in the process of leading effectively, they continue to learn and grow. “Leading and mentoring are two-way streets,” says **Alan Fohrer**, CEO of Southern California Edison. “I take great pleasure in mentoring our team—and I learn a lot from them. This only works if one listens as intensely as one gives advice.”

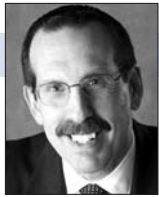
The less egocentric coaches and mentors are and the more they show failures and vulnerabilities, along with successes and strengths, the more effective they are in facilitating the growth of others. *Their greatness lies in not being in the game merely for personal advancement, but to meet organizational goals through helping others grow and succeed.* LE

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**ACTION:** Develop great leaders on your team.

# No Accountability?

Stop making seven mistakes.



by Rick Lepsinger

WHEN LEADERS FAIL to hold their people accountable, they tend to make excuses: “No one told me the project was due Friday!” “But Bob is the team leader—it’s his job to see everyone knows when priorities change.” “It’s not my responsibility to pick up the slack when another department drops the ball.”

If excuses like these echo from your cubicles, C-suite offices, and factory floors, you have an accountability problem—and it is causing much damage. Lack of accountability diminishes execution and individual and team performance. It creates and reinforces a culture of blame. While everyone is busy pointing fingers, deadlines don’t get met, work remains below standard, and customers stay dissatisfied.

Plus, the accountability dodge negatively impacts your top performers. They’re often asked to *clean up the messes left by poor performers*, which wears them out and builds resentment. Meanwhile, their counterparts, who are less accountable and less willing to take responsibility, enjoy a lighter workload—a reward for poor performance.

The lack of accountability is a big problem. Our survey of over 400 senior and mid-level leaders, 40 percent report that their employees are not being held accountable for results, and 20 percent report that managers do not deal with poor performers.

Not holding others accountable creates a negative perception of you, the leader—the perception that you don’t treat people fairly and equitably. Soon others on the team get the message about *what it takes to succeed around here* and the extent to which they can count on you as a leader.

So why don’t we hold people accountable for results? There are *seven assumptions* and misunderstandings—*Tickets to Slide*—that contribute:

**Ticket to Slide 1: This too shall pass.** The wait-and-hope syndrome assumes that *poor performance will improve on its own over time*. We often hope that we’ll never need to have a conversation about meeting commitments and delivering results. Or, we assume that

people know what they should be doing, or that this instance of poor performance was an exception. “I’ll give them the benefit of the doubt *this time*,” we say. Problem is, this time often turns into *next time*, followed by, “What? It happened again?”

**Ticket to Slide 2: They know how I feel.** You just responded in your “I’m dissatisfied” voice and your “I’m disappointed” face. That should do it, right? Well, maybe not. Sending indirect messages and subtle signals may not make your dissatisfaction known or clarify what needs to happen differently—and how it needs to happen. Yet many of us prefer subtlety to a more direct discussion of the problem and the need to take responsibility. Sadly, it seldom works.

**Ticket to Slide 3: It will turn into an argument.** Even if the other person is



not difficult to work with, it’s a safe bet that he or she will likely have a different point of view. Many leaders are certain that uncomfortable conversations will turn into arguments. They rationalize that it’s better to let it go and avoid the conflict. But while it may be easier in the short term to *just let it go*, in the long run you may find that the situation has snowballed into a problem that is vastly more difficult to deal with.

**Ticket to Slide 4: I made my expectations clear.** One reason you may avoid holding others accountable is that you have not set clear expectations. You haven’t clarified *what you want done*, *what good looks like*, or *when you want it done*. Hence, you can expect more than one point of view or anticipate an argument. *Everything* you ask of your employees can be either measured or known. Even qualitative outputs, such as customer service or quality, have components that you use to know

when they have been done well. You can set expectations and monitor and measure those things.

**Ticket to Slide 5: I’ll demotivate or lose them.** One challenge managers face is holding top performers accountable for behavior that is consistent with work processes and organizational values. You may be inclined to give *superstars* some leeway because you feel they’re key to your team’s success and you don’t want to break their momentum or steal their mojo. But, this sets up an undesirable dynamic among the team where people come to believe that it doesn’t matter *how* you hit the target—as long as you do, you’re not accountable for other aspects of performance.

**Ticket to Slide 6: I’ll be seen as a micro-manager.** You may avoid being seen as a micromanager at all costs. When a *collaborative* style is reversed and a *command and control* style frowned upon, the practice of monitoring has a bad name. But, *the more you delegate and empower others, the more you need to monitor and track progress* (this is not the same as micro-managing). Monitoring, done well, is a constructive activity that enables people to make course corrections and you to praise good performance.

**Ticket to Slide 7: It’s easier if I just do it myself.** Doing it yourself may seem like a good idea when you’re making the call, but when you don’t hold others accountable and take on the work yourself, you become complicit in the cycle of poor performance and lack of accountability. If you do not break this negative cycle, you’ll *always* have to do it yourself because you miss a coachable moment and chance to set expectations.

**Obviously, you need to revoke these tickets to slide**—and learn how to *set people up for success, respond in constructive ways when something does go wrong, and create a culture that enables people to operate at a high level of responsibility*. Over time, you’ll see your people taking initiative to ensure the success of projects, providing early warning of potential problems, and taking action to resolve problems, *even if it is not their fault*. And that’s the ideal—accountability and initiative are then synonymous.

## Before and After the Fact

You can tackle accountability problems in two ways: First, create conditions that make it more likely people will follow through. Second, encourage people to take responsibility after mistakes have been made—without making them *feel worse than they already do*.

**Before-the-Fact: Set people up for success.** To manage accountability, use

three techniques to ensure that people follow through in the first place: 1) clarify actions and expectations, 2) agree on due dates for deliverables, and 3) establish checkpoints. The acronym ATC can help you:

**Action.** Clarify actions and expectations (*what good looks like*) and identify who is accountable for which parts of the work. Regardless of how good an idea someone has or how sincere his intentions, nothing happens until someone commits to taking some action to produce a specific deliverable.

**Timetable.** Establish an agreed-upon due date to ensure everyone is on the same page. Due dates like *as soon as possible* and *by next week* create misunderstandings. Also, commitments that lack a time frame rarely get attention.

**Checkpoints.** Don't wait to check in until the action or deliverable is due—*set periodic progress checkpoints before the due date* (the frequency of the checkpoints depends on the difficulty of the task and the experience of the person). Agreeing on checkpoints makes follow-up and progress checks a shared activity. The check-ins are now part of project management, and provide chances for you to coach if there is a problem and reinforce behavior when things are going well. And, you don't have to make spontaneous or surprise visits or call when you get nervous.

**After-the-Fact: Ask three questions.** Sure, prevention is better than an after-the-fact remedy, but people *do* drop the ball. Rather than berate a person for her failure to deliver results, reinforce her accountability to solve the problem.

**Asking three questions** will encourage the person to think about *how she contributed to the current situation, what she can do to get things back on track, and what she can do to prevent it from happening again.* Present: "What can I do now to get on track?" Future: "What can I do to prevent this problem from happening again?" Past: "What could I have done to prevent the problem?"

**Be prepared to deal with defensive behaviors.** Try showing empathy: "I know you're as concerned as I am about this, and I realize it's not the way you wanted things to turn out. This conversation is not about assigning blame. It's about solving the problem and ensuring that we keep it from happening again."

Coach people to pose these three questions to themselves as a way to manage their own accountability. **LE**

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**ACTION: Hold people accountable for performance.**

## Legacy Leadership

Learn from Sir Winston Churchill.



by David Parmenter

**S**IR WINSTON CHURCHILL is so iconic that his statute facing the Houses of Parliament simply says *Churchill*. Yet his success came after many calamities that would have floored a mere mortal. Churchill's 12 lessons to leadership are profound and somewhat unique:

**Lesson 1: Always believe you have a legacy to leave.** We all have a unique mix of attributes, skills and experiences that can be put to use leaving a lasting legacy. The trick is to find it. It is not always obvious. Churchill failed his time at Eaton in style. Only in the army, with time on his hands, did he discover his love of reading; and it was his need to finance his Calvary horses that lead him to earn money as a war correspondent.

Churchill knew he had war in his blood. He was a descendant from the warrior the First Duke of Marlborough, and was, by accident, born at Blenheim Palace (his parents were attending a dance there when his mother went into premature labor). From 1895 to 1900, he sought action in India, the North West frontier, Sudan, South Africa and Cuba. Every time it got quiet he wanted to get in the thick of it elsewhere. He achieved this in collusion with his mother and using all the contacts that the name Churchill granted.

In the early twentieth century, he *crossed the floor* and joined the opposition in a move he calculated carefully, knowing he'd get nowhere in the Conservative Party. This caused many problems later on, but he achieved his objective—a Ministerial post.

**State what your legacy is to be.** Forming this legacy in your mind gives meaning to life and helps put up a guiding star in the sky that will shine bright no matter what clouds are over you.

**Lesson 2: Have a good hobby so in times of crisis you have a refuse.**

Churchill had three major career crises: the calamity of the Dardanelles (WW I), the wilderness years of 1930-1939 where he was consigned to the back-



benches of the opposition, the calamitous defeat at the polls just months after victory day in 1945. Lesser mortals would have consigned their life to depression. Churchill turned to his love of writing, painting and landscaping of his beloved Chartwell property. These hobbies kept him afloat and enabled him to build his resolve to fight again.

Have a passion that absorbs your time, that can be a *safe house* when times are tough? If you do not have one you need to establish one now.

**Lesson 3: When you stuff up it is better to 'fall on your sword' as you will surely rise again soon.** Churchill was blamed for the botched Gallipoli expedition. He, as *First Lord of the Admiralty*, was dismissed, and he resigned from Parliament to enlist back in the army. He became a *must visit* curiosity in the trenches of Flanders. However, only six months later he was recalled to take up a role in Parliament. By falling on his sword early, Churchill did not waste his energy on a hopeless cause. He gave less ammunition to his enemies in the House of Parliament.

When you have made a mistake, know that it will not define you or

your contribution. Know that you will recover to fight another day. With this assurance, take the blame and move on.

**Lesson 4: Have a sanctuary where you can escape the maddening crowd.**

When Churchill first saw Chartwell, he saw its potential. If you were to visit Chartwell, you would

want to swap houses immediately. The setting, ambience, and design all lead to a perfect sanctuary. Churchill once said, "Everyday away from Chartwell is a day wasted." It was in this creative environment that he could dictate his books starting in the afternoons and working long into the night. His wife was given free range to decorate and extend Chartwell to fit the needs of the family. Churchill understood the importance of having a supportive partner, giving her the freedom to pursue her own goals. Lady Churchill was honoured by Britain and Russia, the latter for her efforts as Chairman of the Red Cross Aid to Russia. Having a grand house does not in itself create a sanctuary. The difference is subtle.

Do you feel a day away from your house is a day wasted. If not maybe your sanctuary is yet to be occupied.

**Lesson 5: The written word is mightier than the sword.** Churchill's first stint

of fame came as a war correspondent. He wrote in a user-friendly style—a blend of fact, autobiography, and descriptive text. He was blunt, and did not hold back from saying what others feared to say. He would be critical of his superiors' handling of the army, their organization, tactics, nothing was sacred. He went where angels feared to tread, and his dispatches became the must read back in London. Time and time again he came back to writing and was awarded the Noble prize for Literature in 1953. While he was not the most knowledgeable historian, he wrote in a style that made history interesting. It was his writing *History of the English speaking peoples* that at last made him financially secure. He was so destitute after losing the premiership that a subscription was established and Chartwell was purchased from the Churchills and then leased to them for the rest of their lives.

Far too many leaders today do not pay enough attention to the power of the written word in helping build their profile. This important point did not escape Obama who wrote his memoirs *Dreams From My Father* four years before he ran for President.

Start making your views, thoughts, and learnings more public.

**Lesson 6: Never let a lack of a degree or formal education hold you back.**

Churchill was a failure at school. He never went to University. He hated Establishment. He was whipped, but he never succumbed to the mindless mediocrity of learning for the sake of learning. He won his *tertiary spurs* later on in life when university after university gave him honorary degrees. He had, in fact, put himself through his own university. He studied and became an expert in many areas such as Navy, Army, Aviation and History. Whilst tertiary education is a valuable asset never let it hold you back. If you succeed in life you will end up getting an honorary doctorate in any case.

**Lesson 7: Learn to be a great orator.** Churchill is remembered most for his great speeches. These were very carefully constructed in his great study at Chartwell. He would rehearse the words until he was sure *they danced*—that they sent a clear message to the common man. He used words that a 14-year-old youth would understand.

His delivery was legendary; slow, deliberate and repetitive. He was an actor delivering a performance to his audience the people of Britain, the Commonwealth, and importantly the Americans. Leaders need to realise

that being a good orator is a vital part of leadership. Time and effort needs to be devoted to delivering a meaningful message. Special coaching and endless practice should be seen as an important investment rather than a chore.

**Lesson 8: Manage PR.** Churchill never missed a chance to present his ideas in the best light. The pictures of him with his 'V' for victory sign, or him holding a Tommy gun in his business suit standing over rubble are iconic. His war time speeches, so carefully prepared, would be a *must listen to* by all with a radio. While the press had often written ruinous headings about Churchill during his fall from grace, he worked closely with them to promote the image of the bull dog who would never surrender. His use of media is unparalleled. With the media that now exists, we can only speculate the dramatic use he could have made of it.

Start befriending the press, issue them useful copy, be available for comment, be not afraid to speak out on issues you feel passionate about. Find yourself a leader who has managed PR well and use their experience.



**Lesson 9: Personal contact with key decision makers is vital.** When you walk through Chartwell, Blenheim Place or his war rooms in Westminster, you are struck by the personal letters he wrote. These were not correspondence dictated to his secretaries but hand-written letters. Churchill knew who the important decision-makers were and maintained regular contact. He devoted as much time writing to President Roosevelt as drafting major speeches to Parliament. Churchill's correspondence bypassed the cabinet and helped forge the alliance with the United States.

**Who are you in regular contact with?** Take the time this week to dust off some contacts you have with decision makers.

**Lesson 10: See and own the future.** Like all great leaders Churchill spent a lot of time thinking about what the future had in store. He was the first to see the rise of Hitler as a major menace. He understood the importance of a united Europe to prevent a further war. Churchill supported a practical

rebuilding of Germany thus avoiding the harsh retribution levied against Germany following World War One. He saw the need to end the 'Cold War' as the atomic bomb made any form of warfare impossible between the super powers. The key was that Churchill created an environment where he could think deeply, uninterrupted about what is going to happen next. He tried, as much as possible, to own the future.

Have you planned your working week to allow for some 'blue ocean' time? How about a Friday morning where you stay at your home office until lunchtime, where you spend time making all the strategic calls, finishing off the strategic reports and thinking about the future. Once you start doing this you will find it addictive.

**Lesson 11: Stay close to scientists / technology advancements.** Churchill had high regard for scientists and engineers and gave them free license to create new methods of warfare. They came up with many inventions, including the floating Mulberry harbors (key to the Normandy offensive), the bouncing bomb, and modifications to the spitfire Merlin engine enabling the plane to keep up with the V1 flying bombs.

He was conversant with technology, he understood it and he was able to communicate with 'techos' and move them to greater heights. How close are you to the creative techs in your organisation? If not how about taking one or two out for a great coffee.

**Lesson 12: Understand your body rhythms and work patterns.** Churchill worked late and rose late. He was not a morning person. He knew what made him efficient and kept to that regime, never allowing events to disorganize him. Even during the war, he was only woken if the matter was urgent. While working to 2 a.m. and rising for breakfast at 11 a.m. may not be your style, you need to develop one and keep to it, fighting off the need to conform to organizational requirements.

Churchill was a flawed leader on a number of counts. He was reckless with his life and with those he was in charge of. Yet through the many leadership traits he did have he left a legacy that will be remembered for all time.

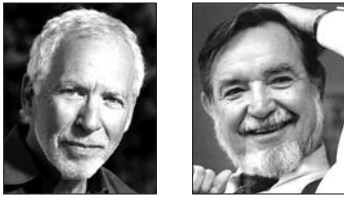
**While we can't all leave such a legacy, we can, and should, leave a legacy that says we changed people lives for the better.** Sir Winston Churchill shows us a way—if we choose to learn. **LE**

David Parmenter is a speaker and author of *The Leading Edge*, *Key Performance Indicators*, and *Pareto's 80/20 Rule* (Wiley). Email [parmenter@waymark.co.nz](mailto:parmenter@waymark.co.nz); [www.DavidParmenter.com](http://www.DavidParmenter.com).

**ACTION: Apply one lesson learned from Churchill.**

# The Limits of Systems

*Their growth threatens our welfare.*



by Peter Block and John McKnight

**I**N A CONSUMER SOCIETY, WE HAVE COME to believe that *the good life* depends on more schooling, better service from the government, more medical care for our health, and the centrality of the corporation as the driver and deliverer of satisfaction. This belief that *we can purchase what we need from institutions* has reached its limit. Schools do not raise children, police do not keep us safe, doctors do not keep us healthy and more products do not satisfy us. These all just increase the appetite for more and carry the message that what we have is never enough.

The reason systems have reached their limit is in their nature. Systems are designed to create *scale*. Scale requires *consistency, control and predictability*. Control and predictability do not satisfy—they simply make life predictable. This has its value, but also its limits.

## Role of Management

A central task of management and systems is to *maintain control by taking uncertainty out of the future*. This is what is attractive about systems: they seem to make the world *safe, predictable, and under control*. In adopting system life, people choose to yield sovereignty in exchange for *the promise of predictability*. Even families and communities turn over their sovereignty for the *promise of a safe and predictable future*.

Management has also become a way of thinking about life, family, and community—that these can and need to be managed. As systems and their management occupy more cultural space, they expand the message that *prosperity and peace of mind can and must be purchased*. This fuels the growth of powerful systems.

While we benefit greatly from predictable products or services, they also take much of the joy of diversity

and variation out of our lives.

**Systems can't provide satisfaction in domains that require a unique and personal human solution.** The consumer economy is sustained by providing *answers* that always have a *system quality*. Any time you speak of *answers*, you're making a false promise. *The more important dimensions of being human have no clear answer*. This means that *system answers applied to human concerns are counterfeit*. Owning five pairs of shoes does not make a person successful. Owning the latest car does not provide an identity—that is not who you are. Love can't be purchased, power not bought. To sustain the volume and predictability that systems require, they are forced to market and sell more than they can deliver. And this *counterfeit promise* is not just to customers, but to system members—and this *dark side* leaves us unsatisfied. In system life, *we become the system that we inhabit*. We become *replicable*. We are *interchangeable parts*. It is the industrialization of the person.

**A strength of systems and institutions is the ability to suppress the personal and commodify through replication.** When something becomes personal, it becomes unique and unpredictable. *The need for the system to disdain what is personal has its side effects on who we become and how we associate*. Institutionalization is to *take the personal out of a structure in order to maintain continuity*. To *institutionalize* means to *depersonalize* (code for "We don't need the *unique you* any more.") But *no two people are the same*. Management too often attempts to *overcome their uniqueness and help them align with what the system needs* by insuring that every person is replaceable. This is why the long-term movement to standardize work processes, automate human functions and outsource as much as we can to low-cost strangers.

**Automated human functions affect relationships and our capacity to associate closely with others.** There is no incentive for us to build relationships, because we are only here to produce

together. *What is most personal only lives in the world of family and community*. Systems and management believe that *personal relationships will distort what is good for the business*: "Don't get too close to people; you may have to fire them. Intimacy affects judgment."

**Systems are designed to make relationships instrumental**—not affectionate, caring, or intimate—we are just here for the utility of being together. In our desire for the benefits of system life, *we commercialize our relationships*. We become only interested in a relationship as a form of barter. *We now sign up friends on social-networking sites*.

**Systems do make an effort to compensate for their utilitarian nature.** Progressive management often invests in *training and development* to bring human qualities into its culture. It uses



training as a way of getting people on board, *aligned, on the same page, headed in the same direction*—to create more community in its culture, to put a human face on the system for its members and customers. Training gives the appearance of hospitality, kindness, and

community. Yet, most system training is packaged to enforce the mindset that *what you are is not enough and someone else knows what is best for you*. Moreover, a *system development program* is not a path to freedom and self-expression but a process that *transforms unique people into the system way*.

This combination of *the system way of standardizing and the market way of promising* sustains the consumer economy. *What we've done with our shoes, we've done with our soul, our consciousness and culture*. This is not an argument against systems, only to speak to their limits and bring some humility to their promises. We have a choice about this. We can accept systems for what they are good at and move our attention to helping neighborhoods and families find satisfaction created by their own gifts and capacities. We need to rebuild the capacity of a neighborhood to raise a child, maintain our health, keep the street safe and provide local work. This means turning some of our attention away from a consumer culture and towards more of a citizen culture. LE

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**ACTION:** Support community building.

# Leading Across Cultures

*Be aware of cultural differences but stick to your values.*



by Mark Frein and Juan F. (Paco) Castellanos

**H**OW WELL DOES THE PRACTICE OF leadership development (LD) travel? We had a chance to answer that question when a client of ours operated in Canada, the United States, Mexico, and Guatemala. Since many of their people speak Spanish, our client asked *if we could deliver our LD services in Spanish.*

We quickly went to work to figure out a solution. We looked at partnerships with providers in Latin America versus hiring bi-lingual talent for our team. In the end, we decided to build our own capacity, despite the costs and risks. We understood the resource challenges, but we had little sense of the real challenge—how to take our methods and models for LD and sensitively bring them to another culture.

For us, the question became: How do you *translate* LD, linguistically and culturally? We had to think carefully about our goals in developing leadership. Many things we take for granted in working with leaders from similar cultures can become potentially serious pitfalls when we try to translate them.

We know that LD is as much about *developing and clarifying norms and values* as it is about skills. The danger, however, when values are at play, is those values may clash. This is obvious, for example, when we compare traditional assertions that “the leader must never show weakness” with “the role of a leader is to develop other leaders.”

Certainly there are times when it’s dangerous for a leader to show weakness. But those times are rare—as there is greater acceptance of participative leadership styles and values. Yet, many leaders still act as if leadership is not, nor ever has been, contextual. Not so. As Peter Drucker said, *the only characteristic shared by leaders is that they have followers.* The only characteristic shared by leaders we’ve met is that we *respect* them because their words and actions ring true with our own set of values. Of course, we’ve met people who enjoy

positional authority whom we don’t respect. That’s when we say, “That person may be a *leader* of sorts, but not a *Real Leader.*” It’s a question of values.

*Our approach in working with leaders depends heavily on their willingness to examine their values.* Our model focuses on developing awareness in *four arenas:* self, team, organization and community. We ask leaders to *seriously examine* their biases, mental models, and emotional triggers (*self*); their typical patterns of relationships with others (*team*); their understanding of systems and strategy and the limitations of individual decision-making (*organization*); and, why they want to be a leader—what, if any, purpose or calling they wish to serve (*community*).

We also encourage specific norms—*seeking and giving feedback*, for example. Imagine our surprise when we’re met with blank stares

or responses like, “I simply can’t do what you are asking me to do.” When we ask our Latin participants to provide feedback to colleagues, we often encounter resistance, skepticism, or anxiety. *Feedback anxiety is universal.* Few people relish providing feedback. But how participants understand the value of doing so—the *reasons* for it—varies depending on cultural norms.

We learned quickly that *by role-modeling the practice of giving and receiving real feedback, our credibility as teachers and facilitators increased.* This strategy works in any culture, but it’s critical when working across cultural “borders.” The more we lower the artificial boundary between teacher/facilitator and student, the more trust we generate. In fact, *establishing trust* has become the key to our work in Latin America.

We find that our Latin American friends are willing to explore aspects of their behavior as it relates to leadership and management. Once we earn their trust, they eagerly engage in dialogue. Our method of inviting them into a genuine conversation about leadership and values generates *trust* and *dialogue.* Instead of trying to *change* their perception of leadership or *instruct* them, we try to model the competencies of listening, questioning, awareness of self, and

awareness of others through group dialogue. A dose of humility has helped us, too. We travel to Latin America with open hands, open ears, and open hearts. Rather than coming with *answers*, we come with *questions* and *curiosity*, and through *dialogue* provide more opportunity for development.

Our success in *translating* our practice into Latin culture and language hinges on three principles:

**1. Be aware of cultural differences, but stick to our own values.** We not only provide our service in a different language, but gently adapt our messages and methods to new cultural environments, without straying from our own leadership beliefs. To change our messages would be to lose sight of the value we offer to potential leaders. *Our messages remain as much about being a self-aware person as being a self-aware leader.*

**2. Connection before content.** Our first job is to connect with leaders on a human level in all our work, and establish trust. This is doubly important in cross-cultural settings. Partly driven by this mantra, we chose to hire team members of Latin



American nationality as well as Spanish-speaking *gringos.* We also hire people who have a strong desire to connect and gain satisfaction not just from leadership facilitation and teaching, but from transforming others, and themselves, in the process.

**3. Play is universal.** Whether it’s using the Nintendo Wii to illustrate team dynamics, building contraptions to protect eggs from falls, or practicing feedback, we play with leaders to help them grow. Play is an engaging way to help leaders practice new behaviors. It also helps people laugh at each other and themselves, which fosters connection. As children, we all used play to develop. As adults, *we quickly rediscover a sense of freedom in play* that provides enormous energy for development.

We are still learning and testing our values and methods in the crucible of new cultural realities month-by-month. Our goal remains to *develop people*—as opposed to *provide static truisms* regarding leadership. This goal will continue to guide us in making the right—and ethical—choices in cross-cultural management and leadership development. **LE**

Mark Frein is Managing Director and Juan F. (Paco) Castellanos is Senior Consultant with Refinery Leadership Partners. Visit [www.refineryleadership.com](http://www.refineryleadership.com).

**ACTION:** Engage in effective cross-cultural LD.

# Get Change Right

*Bring the shared vision to light.*



by Seth Kahan

**M**ANY VISIONARIES fail when they try to bring their visions to life because they have faulty assumptions about how people enroll, join a cause, decide to do things differently, or enlist in the revolution.

The biggest problem is how they think of communication. They spend a lot of time developing their core idea. They think they will need to defend it, so it better be bulletproof. They comb data, hire consultants to do analytical research, work on their logic, and compose elevator speeches. But, most elevator speeches only go down.

Then, finally, when they feel their big idea is looking foolproof, they send it out to people, put it in emails, and start stumping. They believe if others are convinced, if they lay out their irrefutable argument, others will decide it's worthy and be quick to act.

Wrong. Rationality is only one way people test a new idea; logical argument is not the core of communication that spreads like wildfire. Most people don't seek robust arguments, and then purvey them with enthusiasm. If you want your idea to catch fire, you need to *create cascades of compelling interaction*. Think chain reaction—a string of interactions, each creating a by-product that starts another reaction. *When the number of reactions grows exponentially, you get a cascade: one reaction begets two or more, and each of these begets a few.*

*When you create an interaction that generates other interactions, you produce amazing impact.* As one person talks to others, and they talk to more, the number of conversations grows exponentially, creating powerful increases in the speed and spread of change. So, if you want people to chatter about and then adopt your visionary idea, you need to become expert in three areas:

- **Leading engaging conversations**—interactions that weave people into your work, making them collaborators and co-creators of a shared future.
- **Generating cascades of activity**—setting off chain reactions of meetings and conversations that are carried from those who experience you first-

hand out into their social networks.

- **Conducting strategic engagement** (coordinating events). You adjust the timing, create emphasis, highlight virtuosos, provide critical feedback, and create a balanced effort that is cohesive, compelling, and powerful.

People build their world together through messy association and emotion, interaction and conversations—not logical argument. We're still *pushed and pulled* by our inner currents, assembling the future *one shaky step at a time*.

**Some people get change right.** They start conversations that catch fire and create cascades of face-to-face jabber. They find the right people, pull them into the mix, and get them energized. They cultivate social networks that deliver results because *their conversations are compelling*—hence, *people care*.

The people who get change right



study their disorderly, convoluted territory, looking for potholes and hidden shortcuts. They create *clusters of events* that bring their most valuable players together and create *surges in progress*. And they seize obstacles as opportunities to untie knots and get energy moving.

Such change has been around for decades. Some people call it *social diffusion*. **Saul Alinsky** called it *organizing* when he helped meat-workers and African-Americans to address oppression. In *Rules for Radicals*, he writes, "This is for those who want to change the world from *what it is* to *what they believe it should be*. *The Prince* was written by Machiavelli for the *Haves* on how to hold power. *Rules for Radicals* is written for the *Have-Nots* on how to take it away."

At the time, the mainstream grew to distrust *organizing*, but now leaders are working with street visionaries to engineer the future. **David Gershon**, who organized the first Earth-Run in 1986 worked hand-in-hand with world lead-

ers to see his vision materialize. Since then he's worked with corporations and city officials in New York to create disaster-resilient neighborhoods and in Philadelphia to make streets safe. The people I engage to make changes happen are everywhere—inside, outside, across, throughout organizations.

## Six CHANGE Principles

If you want your change to go right—observe *six principles* of CHANGE:

**1. Communicate so people get it and spread it.** The *it* is *not* a pre-scripted message. It's a *conversation* that spreads, a *dialogue* that arouses passion and creates its own social network. Learn how to spark *cascades of conversations*.

**2. Harness your most valuable players.** People are at the heart of change. Engage them, and give them exciting ways to be part of the action.

**3. Accelerate change through communities that perform.** These are *naturally occurring groups of people who share passion for a topic and put their passion into practice*. These groups will advance your cause, creating systemic pull.

**4. Notice the territory of change.** Every organization has a different culture and different ways of figuring out how to go forward. I listen to others to create a map of the change territory.

**5. Generate dramatic surges in progress.** Special face-to-face events are the best way to accelerate progress. Create gatherings that bring players together in *high-value, high-leverage experiences* designed to push things forward fast.

**6. Expect trouble and break through logjams.** Obstacles, hurdles, and challenges are all part of a change initiative. Difficulty is unavoidable—and can make valuable contributions. With the right attitude, *you can become expert at turning adversity to advantage*.

**All of these embrace the people part of change**—the messy soft stuff. That's because technical know-how (the *hard skill*) is in great supply. But *engagement, participation, and the desire to contribute* rely on goodwill, a cooperative attitude, sincere interest, and a desire to be helpful. In most change programs, these are in short supply. This is the *soft stuff*. And today, *the soft stuff is the hard stuff*.

The visionaries who bring visions to life know how to get people *involved*. Involvement, engagement, buy-in, support, contribution—*this is where the action is and where traction happens*. This is visionary leadership, gone right. **LE**

Seth Kahan is CEO of Visionary Leadership and author of Getting Change Right. Email [Seth@visionaryleadership.com](mailto:Seth@visionaryleadership.com).

**ACTION:** Bring your vision to light.

# Development ROI

Address it from three perspectives.



by Steve Coats

A SALIENT QUESTION IS often asked about leadership development (LD): “How do we know if this will pay off?” ROI is always on everyone’s mind.

**Does your investment in LD pay off?** I address this question from three different perspectives:

**1. Financial return.** In our LD work, we’ve tracked several sizable financial returns for clients who embrace *The Leadership Challenge* model. In one case, we re-surveyed several managers with the *Leadership Practices Inventory* (measures behaviors of *The Leadership Challenge*). Although average scores climbed in each practice, we knew this was not the same thing as improved financial performance. So, we randomly selected a few managers and found that profits they and their teams generated greatly increased after attending the workshop. Moreover, participants reported improvements in six other areas: more innovation, greater initiative, the initiation and ownership of calculated risk, collaboration, self-confidence, and clarified shared values. For these managers and their teams, there was a direct correlation between their *Leadership Challenge* experience and financial performance.

In another company, a sales division that built a *culture of leadership* around *The Leadership Challenge* model, exposed the practices to all associates, and lived them in many ways, completely outperformed other divisions that had not adopted the model. The sales group led the company in results for seven of 10 years and was in the top three the other years. They delivered consistent year-over-year growth of 17 percent (other business units averaged 8 percent), and had a strong promotion rate averaging 36 percent per year. And this winning division had no additional selling advantages, nor was it in one of the highest growth markets.

We have other examples of organizations that adopted *Leadership Challenge* practices as a foundation for leading key strategic growth and cost-saving initiatives. Their bottom line returns are not just in the 15 to 20 per-

cent range, but in the attention-grabbing, high double or triple-digit range!

The many examples of impressive financial returns means the answer to the financial ROI question is *yes*—LD can be worth the investment.

**2. Opportunity cost.** Other measures of return on the LD investment should also be considered, including the economic opportunity cost. Have organizations actually lost because they were unable to capitalize on profitable growth opportunities due to a lack of prepared leaders to rally people and exploit the opportunities? One long-term user of *The Leadership Challenge* addressed this issue for us. After completing a strategic acquisition of a company half its size, the president stated that the acquisition would have been



impossible had they not developed leaders over time. No merger is ever painless and seamless, but the quality of the integration was positively recognized by associates of both companies. And the people of the acquired company were astonished by the investment in LD made in the past by their new owners. It was a *foreign concept* to them. In the minds of some of the most senior people, the previous lack of any LD was a key factor in their being acquired. The combined enterprise is now poised for growth in ways *never before achievable*.

Can this president provide an accurate financial ROI attributed solely to their LD efforts? Not really. *Does he know that it has been worth it?* Yes. And in spite of some difficult times in their industry, they are surviving better than most and still *fully committed* to growing leaders.

The key question is, *do you ever even think about lost opportunities that result from an inadequate supply of people ready to take on new challenges and really lead?*

You can easily calculate the turnover cost of top performers leaving the company who are tired of being shackled to the misguided directions of poor managers. But do you ever try to calculate the *total future value lost*? What is the real value of the “ones that get away,” whether they are talented people or lucrative business opportunities?

**3. Emotional return.** A third measure of ROI in LD might be labeled *emotional return*. For years we’ve asked people to describe times in their careers or lives when they were *truly led*, vs. *simply managed*. They describe a different emotional state when being led. They felt inspired, energized, important, capable, and performed at much higher levels—and they can usually explain how and why in vivid detail. Sadly, they also admit being less committed and engaged when they were simply managed.

When people are performing at higher levels, the odds that they’ll contribute more financially to growth and efficiency is much greater than when they are simply doing the job.

Have you ever been *truly led*? Was it different for you? So, how is your leadership measuring up? Are your people/team members being truly led by you right now? Think about the lost opportunity cost if they are not!

We often hear that *the value of leadership is self-evident*. Even so, that value is seldom translated to a quantifiable line item on a quarterly report. So, what is the bottom line of your LD? It is difficult to show an *exclusive* cause-and-effect relationship between LD and financial results, as the impact of several intervening variables can’t be isolated and accounted for. So often it comes down to what you believe. Do you believe that your LD makes a difference? Do you believe that inspired and committed associates will outperform those who are not? Do you believe courageous leaders are needed to advance organizations (even countries) forward during times of immense uncertainty? Do you believe LD is worth the investment, even if you can’t directly calculate the payoff?

Developing leaders is an investment in both today and the future. It is not an occasional training program or event. It is clearly a strategic decision that will define and lead you to the kind of organization you most want to create. Work at it as you do any important investment, and you will be amply rewarded. LE

Steve Coats is CEO of International Leadership Associates. Visit [i-lead.com](http://i-lead.com). Call 513-755-7112.

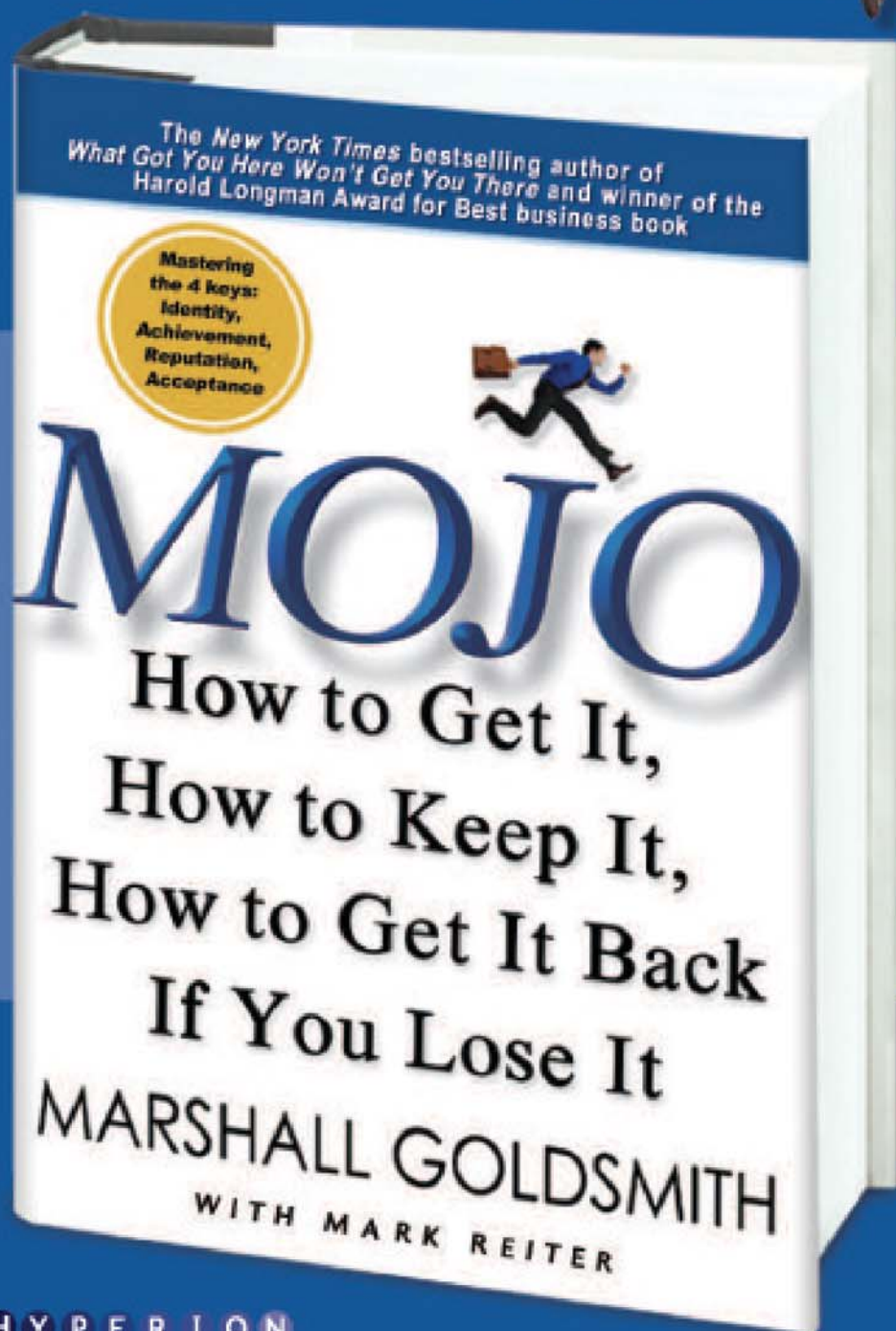
**ACTION: Document your LD ROI.**

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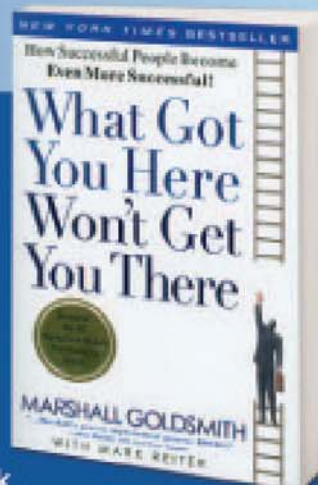


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