LEADERSHIP

Excellence

Warren Bennis's

CELEBRATING 25 years OF EXCELLENCE

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

October 2012

Bad Apple Behavior

Trusted Conversation

Leaders Are Made
Know Your Strengths

John Parker Stewart
Leadership Coach

www.LeaderExcel.com

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Leap of Faith

Like Pegasus, archetypal leaders who combine strength with sensitivity and wisdom must make leaps of faith, without wings but with a shared dream and insightful direction.

Leadership Excellence Expands

It's truly the global resource for leadership development.

by Ken Shelton

AFTER SEVERAL YEARS, WE finally started publishing *Leadership Excellence* in China in partnership with Visionary Consulting with offices in Shanghai and Beijing. I thank my Chinese business partners, **Ken Han** and **Winnie Wang**, for their faith and diligence over five years in making this possible.

Ken Han   *Winnie Wang*

The launch of *Leadership Excellence* in China really started 20 years ago, when I first traveled to Beijing and Shanghai to explore possibilities. I realized that we couldn't begin publication of *Leadership Excellence* then for several reasons, but I also knew that eventually it would happen—when we had the right local partner.

I was hopeful to start once again in 2008 when China hosted the magnificent Summer Olympic Games. Finally, in September 2012, after the London Summer Games (where Chinese athletes again performed with *excellence*), we were ready to launch *Leadership Excellence*.

Each edition of *Leadership Excellence* is like the **Olympics of Leadership** in the sense that you see *the best* and *latest* thinking from *the best* and *brightest minds* and *models* in management and leadership today.

What is Leadership Excellence (LE)?
• *A universal ideal.* Everyone aspires to *excellence* as an ideal—the best and highest way. *LE* keeps you on an *improvement* path.
• *A magazine.* Yes, *Leadership Excellence* is a magazine, published monthly since 1984 and co-founded by **Stephen R. Covey**, author of *The 7 Habits of Highly Effective People*, and his writer, editor, and partner Ken Shelton.
• *A leadership development system.* Use the magazine with the *Leadership Excellence Guide*, searchable article archive, learning modules and application tools.

How can you best use *Leadership Excellence* **to develop yourself as an individual leader?** Simply start with the *Personal Excellence Plan* (PEP) to create your own development plan;

2) receive and study *Excellence*, the magazine, and supplement your reading with additional articles and learning modules from the archive; and 3) use the application tools to put *excellence in action* every month.

How can you best use *Leadership Excellence* **to develop the managers and leaders?** Start with the *Leadership Excellence Guide* to create your own leader development plan; 2) study *LE* magazine and supplement your reading with additional article and learning modules from the archive; and 3) use the application tools to put *excellence in action* every month.

I invite you to *experience Excellence* and *invest in Excellence*—and I guarantee that as you use the product properly and consistently, you'll receive *exponential return*.

I expect you to **go for the gold** and be a winner in your chosen field of play. In your roles, set **SMART goals** (*specific, measurable, actionable, realistic* and *time-based*) and pursue them in *daily disciplines* as part of your **PEP**.

Nike: Just Do It!

When I spoke at **Fudan University** in Shanghai on September 3 to about 250 people, I asked, *how many of you have a disciplined personal development plan?* To my amazement, *only three people raised their hands*!

Thinking they may not have understood my question, I asked it again in English, and then told Ken Han to ask them the same question in Chinese. Still, only five people (2 percent) said yes—and yet almost all of these 250 people worked in the human development field (educating, training, consulting, coaching, and mentoring people)!

Personal development should be the foundation of all your management and leadership development (LD); otherwise, you build development programs on sand.

PEP is not prescriptive: it does not *tell you what to do*. Rather, it helps you *decide what to do* and *how to make it a habit*. One of my new friends, whom I met at Fudan University, is **Angel Yan**, HR Director for *Nike Sports* in China. Nike's famous slogan is **"Just do it."**

I told Angel, the challenge is knowing which "it" to act on each hour of the day.

PEP helps you answer the *it* question.

Since my first visit to China almost 20 years ago, China has made *tremendous development* as nation. Now the challenge for each person who lives and works in China is to achieve **unprecedented personal growth**.   LE

Ken Shelton
Editor since 1984

Executive
Excellence
Publishing

Leaders Are Made

Start using a development model.

by John Parker Stewart

AFTER COACHING leaders worldwide for 35 years, I am convinced that the most essential element to being a successful leader is *knowing your own strengths and weaknesses*. As Scottish poet, Robbie Burns, wrote: "The greatest gift that God could give us, to see ourselves as others see us." Sadly, few leaders seem to have an accurate picture of themselves.

Since *perception is often reality*, the way your associates perceive you is *reality* to them. You see yourself through a limited myopic view—usually based on your *intentions*, while others see you through your *actions* (behaviors).

To gain a more complete picture, ask yourself, What is it like to work with me? How do you think your supervisor, associates and team members would answer this question about *you*? What do they see about you that you don't? What would they tell you if asked? How does their perception of you affect their willingness to support and follow your direction?

1. Identify and capitalize on your strengths. To leverage your talents and strengths, you first need to be aware of them. Accurately assessing your skill set prepares you for more responsibility and impact in your future. Consider the following example:

I once coached a mid-level aerospace manager who was asked by her boss to accept a new assignment, which would be carefully watched by upper management. As a result of several leadership assessments that she had earlier received, she was accurately aware of her talents and skill set. Since this new position demanded a high performance in areas that she knew she was effective in, she accepted the job and—through much hard work—did very well. The payoff was that she knew her strengths in advance, and when opportunity came, she was confident and ready.

To apply for a job, to seek a promotion, or to take on a new challenge or added responsibilities, you need to know precisely what you bring to the table. You need to be aware of your strengths, skills, and capabilities. Only then can you fully develop yourself and move in the direction you desire.

2. Be aware of your short-comings, liabilities, or debilitating behaviors. These may be *minor* (merely an annoyance), or *major* (cause serious harm to the organization). They may frustrate the boss, or force others to expend needless energy to compensate for what was not done right. If you ignore your deficiencies and blind spots, they can become career *derailers*.

For example, years ago I observed a leader in the electronics industry who had remarkable strategic capabilities. He knew it, and so did his bosses. Yet, he was unaware of how he belittled his people, to the point where they almost mutinied. In spite of many attempts to coach him, he simply could not grasp
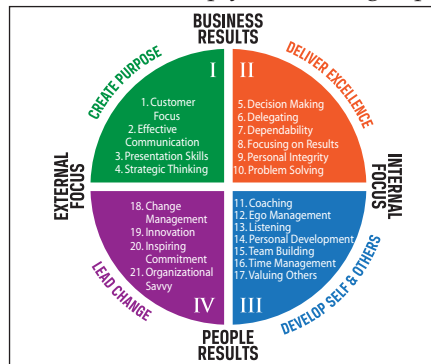
how damaging his behavior was to others. Finally his management had no choice but to demote him to a position where he had no direct line authority over people. His persistent blind spot had severely damaged his career.

The LEAD NOW! LD Model

To help leaders identify and understand their *strengths* and *short-comings*, we designed a simple but powerful leadership development model: *LEAD NOW!* The model divides *successful* and *effective* leadership into four quadrants:

• *Quadrant 1: Create purpose*—identifying what the organization stands for, what it does, and how it is positioned in the market place. This requires studying the competition, customers, industry trends, as well as setting strategy, and effective communications.

• *Quadrant 2: Deliver excellence*—translating *strategy* into *daily execution*. This involves clear decision making, building consistent and measurable processes, and behaving with integrity.

• *Quadrant 3: Develop self and others—.* Valuing learning for self and others. This requires personal improvement, building and managing team dynamics, honing technical expertise, managing time, coaching others, and managing one's ego.

• *Quadrant 4: Lead change—.* Creating and championing change efforts that benefit the organization—which involves influencing key decision makers, sponsoring change projects, empowering stakeholders, encouraging innovation, managing resistance, and making change stick.

By studying thousands of leaders, we identified *21 essential Leadership Dimensions* that define and calibrate *High Quality Leadership*. Adding these dimensions to their respective quadrants comprises the complete model:

• *Quadrant 1: Create purpose—Externally Focused Business Results:* 1) Customer Focus; 2) Effective Communication; 3) Presentation skills; and 4) Strategic Thinking.

• *Quadrant 2: Deliver excellence—Internally Focused Business Results:* 5) Decision Making; 6) Delegating; 7) Dependability; 8) Focus on Results; 9) Personal Integrity; and 10) Problem Solving.

• *Quadrant 3: Develop self and others—Internally Focused People Results:* 11) Coaching; 12) Ego Management; 13) Listening; 14) Personal Development; 15) Team Building; 16) Time Management; and 17) Valuing Others.

• *Quadrant 4: Lead change—Externally Focused People Results:* 18) Change Management; 19) Innovation; 20) Inspiring Commitment; and 21) Organizational Savvy.

How would you measure your effectiveness in each of these 21 dimensions? Where are you strong? Where do you need more development? As you rate your skill set, what trends emerge?

While a few leaders excel in all dimensions, most fall short in at least one. The first step toward improving your leadership capabilities is having a *solid assessment* of where you stand—*accurate personal awareness*. Carefully analyzing your performance in each *Dimension* is a starting point for developing your leadership capabilities. To calibrate this accurately and to *see yourself as others see you*, use leadership assessments, performance reviews, and feedback from associates. Pay attention to the trends that emerge—positive and negative.

Once you see where you are across the 21 Leadership Dimensions, note your *highest* and *lowest* dimensions.

Your goal is to remain strong and capitalize on your highest rated ones, and to build on your lesser developed ones.

For example, I once coached a senior executive who was struggling to lead the necessary change that his team needed. Using the *LEAD NOW! Model* along with our coaching resources, I helped him realize that the dimension that was crippling his performance in his weak quadrant *Leading Change* was *Inspiring Commitment* among his followers. His deficiencies in this area prevented his team from supporting the change initiative. I reviewed with him the **Coaching Tips** associated with the *Inspiring Commitment* dimension, and identified ones that would help him:

Tip 9: Seek opinions and welcome suggestions from your people in areas that they know well.

Tip 13: Make sure your people know you will support them, defend them, and go to bat for them.

Tip 17: Treat everyone consistently. Be fair. They note favoritism as well as someone being targeted.

Tip 20: Share the *why* behind decisions.

Tip 21: Celebrate successes.

Tip 23: Clarify the "what" and leave the "how" up to them.

Then I added some applicable *Gems* that helped him inspire his people to commit to his change initiative:

Gem 4: The biggest hurdle to effective communication is the assumption it has taken place.

Gem 7: Use four magic words: "What do you think?"

Gem 18: No one likes surprises.

Gem 37: A desk is a dangerous place to view the world.

After he understood the relevance and impact of these *tips* and *gems* from the *LEAD NOW! Model*, I helped him build a realistic and practical *Personal Action Plan*, which provided him with the vital resources and behaviors to inspire the commitment he needed in his people. As he followed his action plan, he earned the commitment from his team, which made him more effective in leading change for his group.

I agree with Vince Lombardi, champion NFL football coach: *"Contrary to the opinion of many people, leaders are NOT born. Leaders are made—by hard work."*

How can you **make** yourself into a better leader? Try using our *LEAD NOW! Model*. Accurate self-awareness relies on the *unfiltered* perceptions of others. So, seek to *see yourself as others see you.* LE

John Parker Stewart is author of Lead Now! *and president of Stewart Systems. Visit www.johnparkerstewart.com.*

ACTION: Try using the Lead Now model.

Bad Apple Behavior

And its impact on team results.

by Sheila Heen

*I**magine this scenario:* *Michael is a rising star, largely because of his no-nonsense approach to making hard decisions, and re-organizing divisions. He gets results. Yet he is damaging relationships, festering resentments, and losing talent in his wake. Although he purports to take this feedback seriously, efforts to coach him are futile.*

How do you like them apples? Every division has at least one bad apple—a high performer with intelligence, commitment, and results, but who clashes regularly with colleagues.

These folks create a conundrum for managers. You're loathe to let them go, because they perform well against quantifiable targets (revenue, sales, or returns). And the negative feedback about them is often anecdotal, sporadic, subjective, and subject to argument. Perhaps the other parties are being oversensitive or defensive? And what if the superstar is *right* on the merits of their argument, even though they could have exercised more interpersonal skill? Perhaps they didn't put it as tactfully as they might, but they often have a point.

Until recently, this debate has been framed as *objective results* vs. *subjective opinions*. But now the *subjective opinions* are being borne out in hard science.

Is Bad Behavior Contagious?

Will Felps at Rotterdam School of Management decided to measure the impact of bad behavior on the results of the team. He created four-member teams and assigned each to complete a one-hour task, promising a $100 payout to each winning team member. Knowing that *bad behavior* comes in many forms, Felps mixed it up. On half the teams, he planted an *actor* to display behaviors of a *jerk*, ("that's a stupid idea,") a *slacker* ("whatever,"), or a *depressive* (absorbed with trying to manage their own depressed mood).

He then videotaped each team while they completed the task together. The results surprised him. Teams infected with *the badly behaving actor* produced results that were, on average, *40 percent*

worse than the control groups! And this bad behavior soon became contagious. Collaboration ceased, momentum derailed, progress stalled, morale dropped. In one case, the actor put his head down on the table. At the end of the hour, the team sat motionless, heads on table.

Sometimes bad behavior is cloned by others on a team, as they struggle to cope with a difficult teammate. In this case, Michael's volatility and frequent frustration meant that people avoided giving him bad news, or found ways to work around him. After difficult meetings, they would gather to complain about him. Increasingly, they talked *about* him, rather than *to* him.

Comparing Apples and . . . People

Felps refers to this as his *bad apple study,* suggesting that the bad behavior is either intentional, or the result of bad character—a rotten core. The answer is then to throw out the bad apple, before it spoils the whole barrel.

In working with people, remember that what is *catching* is *bad behavior*, not *bad character*. And the *bad behavior* is often *unconscious* and *unintended*. The impact Michael has on others is invisible to him, since his teammates complain to *each other*, not to *him*. This makes addressing the behavior challenging. Those exhibiting the behavior can't see the impact they're having. Even when the impact is described, it is often dismissed as *overreaction* or *misunderstanding*. It is genuinely difficult for them to appreciate the emotional impact second-hand.

Previous feedback to Michael had focused on the problematic behavior (shouting, calling people out in meetings, curt or rude email exchanges). This left him feeling defensive.

Meaningful change requires four skills:

1. Assume that we're all contributing to the dynamic, including those who aren't speaking with Michael directly.

2. Assume that everyone is acting out of good intentions, but may be having a bad impact on each other.

3. Be curious about the parts of the picture you can't see—how your decisions and actions impact others.

4. Be patient with each other as you work to change habits.

You can, perhaps with some help, break *bad apple* behavior patterns. LE

Sheila Heen is a Founder of Triad Consulting Group and co-author of Difficult Conversations*. Visit www.diffcon.com.*

ACTION: Curb bad apple behavior.

Trusted Conversation

Use it to power the organization.

by Boris Groysberg and Michael Slind

NOT LONG AGO, POWER EMANATED from the commands of top executives. Those leaders *drove performance* by devising strategic objectives, which they translated into directives that passed down through a hierarchy before reaching employees, whose job was to take orders and to act on them. Today, that model is obsolete, as more leaders recognize that the *command-and-control style* doesn't work anymore.

So how should leaders seek to power their organization? A new source of power has come to the fore—*organizational conversation*. Instead of handing down commands or imposing formal controls, many leaders are interacting with their people in ways that call to mind an ordinary conversation between two people. They are fostering and facilitating conversation-like practices that enable a company to achieve greater trust, improved operational efficiency, more motivation and commitment among employees, and better coordination between top-level strategy and frontline execution.

Conversation is the energy or fuel that keeps the engine of value creation firing on all cylinders. One hallmark of *high-performing small companies* is the *conversational* mode in which its people operate as they demonstrate a superior ability to mobilize resources optimally and target fresh markets quickly.

Four elements account for this small-company success: 1) It's a matter of *scale*. Leaders remain close to employees —in terms of space, and spirit— and employees trust them as a result. 2) It's a matter of *structure*. Physical proximity and an open culture allow people to share key insights and crucial data, and information moves freely and efficiently in many directions. 3) It's a matter of *participation*. Cumbersome divisions of labor are rare, and a wide range of employees play a part in achieving major tasks.

And 4) it's a matter of *focus*. In a small company, all employees enjoy a clear line of sight on the guiding plans and priorities that leaders develop.

Those four elements correspond to elements of a good person-to-person conversation. When two people talk, and when that talk is at its most robust, the *scale* of their conversation is typically small and intimate; the *structure* of their conversation is dynamic and interactive; their *participation* in the conversation is equal and inclusive; and their approach to the conversation is *focused* and intentional. Those qualities also correspond to the defining elements of organizational conversation.

Through *conversation*, a big or growing organization can retain or recapture much of the nimbleness, cohesiveness, and productive energy of a small one.

The I's Have It

Organizational conversation involves four elements that reflect the essential attributes of interpersonal conversation and the classic distinguishing features of a high-flying small company.

1. Intimacy. Conversation between two people requires and enables participants to *stay close to one another*. Only through such *intimacy* can they achieve a true *meeting of minds*. In *organizational conversation*, leaders reduce the distance —institutional and spatial—that would normally separate them from their employees. They cultivate the *art of listening* to people at all levels, and learn to talk with those people in ways that are personal, honest, and authentic. This enables leaders to build trust through talk, equips them to manage change, and helps them to solidify buy-in among employees for new strategic initiatives.

2. Interactivity. Talk is two-way—an exchange of comments and questions, of musings and mutterings. The sound of one person talking is not a conversation. Organizational conversation replaces traditional one-way structure of corporate communication with a dynamic process in which leaders talk *with* employees, not just *to* them.

Changes in the technology of communication, especially those that incorporate social media, support that shift. The benefits that accrue from conversational interactivity include lower transaction costs, an easing of the pressure caused by information overload, and an increase in employees' ability to respond readily to customer needs.

3. Inclusion. At its best, interpersonal conversation invites *all participants* to put their ideas, and heart and soul, into the conversational mix. Organizational conversation also calls upon employees to participate eagerly in generating the content through which a company tells its story, internally and externally. People in frontline and midlevel posts act as semiofficial *company bloggers*, for example, or as *trained brand ambassadors*. By empowering employees to communicate in that way, leaders relinquish much of the control that they formerly exerted over organizational messaging. But they gain a great deal in return, as they boost employee engagement, spur innovation and creativity, and improve the branding and reputation of the firm.

4. Intentionality. Even in a casual two-person chat, two people will each have some sense of where they want the conversation to go. Talk that's truly rewarding is never *idle*. Organizational conversation puts a premium on developing and following an agenda that aligns with the strategic objectives of a company. Over time, the many voices that contribute to conversation must converge in a single vision—a single understanding of its mission in the world and place in the marketplace. While *intimacy*, *interactivity*, and *inclusion* serve to *open up* conversation, *intentionality* serves to *close the loop* on it.

Leaders who power their organization through conversation-based practices won't always *dot* all four *I*'s, but these elements tend to reinforce each other. Our *organizational conversation* model is (like conversation) highly iterative: Some ideas recur, in some form, as we move from one element to the next. In the end, the four elements coalesce to form a *single integrated process*—a single source of *organizational power*.LE

Boris Groysberg is a professor of business administration in OB at Harvard Business School and author of Chasing Stars. *Michael Slind is a communication consultant and former managing editor at* Fast Company *magazine. They are coauthors of* TALK INC: How Trusted Leaders Use Conversation to Power Their Organizations. *Reprinted by permission of Harvard Business Review Press. Copyright 2012, All rights reserved.*

ACTION: Engage in trusted conversation.

Alignment

Transformational leadership.

by Bob and Gregg Vanourek

THE ARMY NEEDED A FIELD STOVE. Anxious to help, Sheldon Coleman contacted the general in charge of procurement for World War II. The general said they needed a stove that was small and light, weighing less than six pounds, able to burn fuels found on the battlefield, and operational from minus-60° to plus-125° F. Coleman engineers quickly drafted some rough designs they thought might work. Sheldon, overreaching, said they had a product. "Great," said the general. "We need 5,000 in 60 days." (Gulp.)

Coleman formed cross-functional teams, working around the clock and overlapping by thirty minutes to brief the incoming group. In 60 days, Coleman delivered 5,000 G.I. Pocket Stoves to the front lines, producing more than a million during the war.

The G.I. Pocket Stove became one of the most valued items for American soldiers, cooking meals, providing heat in foxholes, and boiling water to drink. Facing daunting pressures, Coleman employees produced incredible results.

Authors Jim Collins and Jerry Porras wrote, "Building a visionary company requires *1 percent vision* and *99 percent alignment*." Yet most leaders don't know how to align a team or organization, leading to dysfunction. People work at cross-purposes, unclear about what to do and how they relate to other divisions and the strategy. Many get discouraged and cynical.

Alignment is one of five leadership practices that builds excellent, ethical, and enduring organizations. Alignment takes discipline, commitment, and follow-up. We created a powerful 10-step framework—*The Alignment Model*:

1. Purpose (or *Mission*) addresses *why* we exist. People hunger to know their efforts are *significant*. *Purpose*

statements should be *short, memorable,* and *inspiring,* like Disney's "Make people happy."

2. Values are *norms* that *guide behavior*, the standards for how people should behave. *Everyone* should know them and responsibly uphold them. Ideally, values are expressed as several stand-alone words with a *memorable acronym*. The values of MidCountry Financial Services are: *Compassion, Honesty, Integrity, Excellence,* and *Fairness* (CHIEF).

3. Vision provides a *clear and inspiring word picture* of what an organization aspires to achieve. Steve Jobs' vision for Apple was to "put a small ding in the universe" with *insanely great* products.

4. Goals are the *few critical objectives* sought by the *whole enterprise*, expressed as results: for example, achieve an X-percent market share by (date). The goals should be clear, measurable, prioritized, and challenging but achievable. It is useful to set one or two goals for each major stakeholder group.

5. Strategy involves the several prioritized, major initiatives on *how* to achieve the goals. In our view, everybody in the organization should receive a strategy summary (without revealing secrets). How can employees be aligned if they do not know the high-level plan to achieve the goals?

6. People specifies the types of people who should be involved in the enterprise: their desired knowledge and skills, their integrity, fit with the culture, and emotional intelligence.

7. Structure involves choosing the proper form for the enterprise, levels between first-line workers and CEO, the spans of control leaders should have, and what the venture does internally versus contracting externally.

8. Processes involve *necessary methods to guide the work*, including standards and policies from evaluation methods for people to financial controls and board committee charters. *Processes* keep *actions* within critical boundaries.

9. Action plans are the *major, short-term actions* that must be done by each person to achieve non-routine tasks. They document *who will do what by when*. For example: "Mary will launch product X promotional campaign by Oct. 30."

10. Communication loops Alignment requires tracking and discussing *metrics* regularly. Metrics should be clear and under the control or influence of the relevant person. Using these communi-

cation loops, leaders adjust until they find what works best. Leaders then connect these metrics to performance appraisals, incentives, discipline, and promotions, giving the process teeth.

How to Align an Organization

Many leaders only do parts of alignment, seldom all 10 steps. Or they do them top-down without collaboration. There is a big difference between completing an alignment exercise and creating an aligned organization, between having a purpose statement and being purpose-driven, between having values and upholding them under pressure.

• ***Alignment must be collaborative.*** Alignment requires *extensive communication*, with deep listening and dialogue. It's a back-and-forth, up, down, and sideways process that touches *everyone*, even some outside stakeholders. A coalition of enthusiastic volunteers can shepherd the process with support from top leaders. Alignment is a "we" (not "I") process. An autocratic leader won't tap into the creativity and commitment of people. A mandate to align will cause people to *abdicate responsibility* and *withhold personal commitments*.

• ***Alignment takes time and patience,*** waiting for ideas to simmer, feedback to percolate, and buy-in to develop. It can be messy and frustrating, requiring midcourse corrections. Alignment is an ongoing process—not a one-shot fix.

• ***Alignment starts where the organization is.*** Organizations in crisis *must stop the bleeding now*. If the organization is stable but needs new energy or to bring disparate elements together, then starting with purpose, values, and vision is logical, starting with top management, with drafts circulating for input. Use *social media* to facilitate conversation.

• ***Alignment cascades.*** Alignment must occur at multiple levels: enterprise, department, team, and individual. Each group can benefit from its own alignment effort, even with its own purpose, values, and vision, if they cohere with the enterprise-wide statements.

• ***Alignment is a collaborative process with many benefits:*** clarifying elements for success, focusing people, eliminating unessential work, building trust, providing feedback, motivating, fostering teamwork, instilling discipline, building commitment, and unleashing talent.

Aligned organizations can achieve astonishing results, with integrity, that stand the test of time.   **LE**

ACTION: Align your organization.
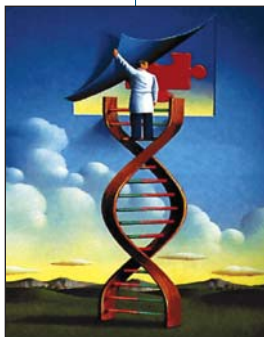
Backseat Leaders

10 creative ways to lead change.

by Christina Schlachter and Terry Hildebrandt

THE GLOBAL ECONOMY HAS TURNED the rules of leadership upside down and shaken them vigorously for good measure. Where there was once a fairly defined hierarchy—Boss A tells Worker B what to do and B does it—there's now a flat landscape where everyone is expected to take the reins as needed. That means if B has an idea—a way to make a process more efficient or a new way to get customer feedback—he or she is allowed, even expected, to make it happen.

In other words, *everyone* is now a leader. This is great news for entrepreneurially minded employees—but it does pose a challenge for an employee who wants to create change but doesn't "officially" run the show.

It can be more challenging for employee-led grassroots movements to spark change, but it can be done. While you may not have the long-term resource commitment your boss does, you can still be proactive—and successful—if you have a clear vision and a firm commitment.

Being an *advocate for change*, regardless of where you fall in the organizational chart, can put you in the position of being a team leader—and someone who has great career potential. If you'd like to start sparking positive change within your organization, read on for *ten ways to be proactive*:

1. Align individual priorities with organizational goals. No matter where you work, chances are your organization has overarching change goals it is working to meet. Don't just wait to be told what to do—look at those goals and figure out what you can do as an individual employee to support them. For instance, if your company just announced that it is acquiring another to strengthen its product line, one of your individual priorities might be to learn more about that company, its customers, and what it does. You could even ask your manager to pre-

sent your ideas on how these findings will impact your team. When you make the link between what you do on a day-to-day basis and how that can support the overall change initiative, you're showing dedication and demonstrating that you want to help. This understanding works well during any type of company-wide process or technological change, because you can begin to recommend better ways of doing what you already do.

2. Learn to live with ambiguity. There is usually *uncertainty* during change. For instance, perhaps leadership hasn't answered all your questions because not all of the details have been worked out yet. Executives may also have legal reasons for not releasing information. The point is, sometimes it's in your best interest to roll with the ambiguity.

Of course you should raise your concerns and ideas, but then keep focused on the task at hand. However, if you feel that ambiguity is disturbing the workplace or if you see executives ignoring real concerns, let your manager know the downstream impact in a polite yet firm manner.

3. Understand your leadership style first. Even if your business card doesn't have a powerful title, you are still a leader. And every leader has a particular style and specific strengths. It's well worth your time to figure out what your style is, how it is seen by others, and how you can apply it to maximize your strengths. Most leadership assessments come down to four types of leaders: loud and proud; cheerful and optimistic; the strong, silent type; and data driven. You may also be a combination of them. In any case, knowing your own leadership style can help you effectively manage up the organization, coach employees and

peers, and lead future change projects. Your knowledge will also help you to recognize different leadership styles and thus frame your own communication to meet the needs of others.

4. Change what you can change: yourself. There is an old saying that too many cooks spoil the soup. Similarly, too many leaders during change can make everything confusing and fragmented. If you are not in a position to formally influence the change, instead of trying to create a leadership role, take the opportunity to change your own attitude, behaviors, and beliefs. You can do this by setting realistic goals for yourself and then eliciting feedback on them from peers, managers, and perhaps even customers. "Remember that organizational change *and* personal change have strong similarities: You must clearly identify what you want to change, what the change looks like, and the specific steps and milestones for meeting them."

5. Influence what you can't change: others. Even if you aren't the one running the show, you can still influence the direction of the change. And your position of being "one of them" could even give your opinions a boost with your fellow employees! A good way to build trust and respect with your colleagues is to give meaningful and timely feedback with the sole intent of increasing effectiveness and job satisfaction. Cultivating this atmosphere of openness among your peers will help you influence change, because knowing others' motivations and interests will help you to explain how the change project will meet their needs. And don't forget, another great way to influence change is to model the behavior you want to see in others.

6. Become an early adopter and ally for change. Adapting early to change and being an ally for it is one simple and visible way of leading change when you are not running the show. This entails wanting change to happen and working toward that goal as soon as you have a logical explanation for a particular alteration or modification. The nice thing about being an ally and early adopter is that you aren't seen as someone who is just giving face time to the change; you are actually *doing* it and helping to spread enthusiasm among your team members.

7. Create a community of peers. Many change projects have frontline staff or employee councils that serve as the eyes and ears of change. This group relays information, ideas, and

concerns back to senior leaders so that the change plan can be adjusted as needed. If your organization has a change council, ask to be part of it. If it doesn't, offer to help organize one. For change leaders, there is no replacement for direct feedback as to how communications, plans, and new projects are being perceived in the field.

8. Help other employees cope with change. Even if you're *excited about change*, not everyone will be. Some team members might feel confused, angry, frustrated, or exploited. To make the transition easier for them, first, be on the lookout for *signals* that someone needs help coping: absenteeism, depressed or despondent behavior, or attacks on team members. You might intervene one-on-one, or help steer a bickering session into a change session. You can also help others cope through *active listening*. Try to act as a sounding board, and help the other person reduce *emotionality* and increase *rational discussion*.

9. Encourage communication among your peers. Remember, the sum of the parts is always greater than individual contribution levels added together. So, regularly ask yourself how you can help build a better organization by diffusing confusion, expediting the flow of information, or reaching out to others. Communication between peers and through management helps make your job easier in a number of ways. It uncovers what is valuable to the business and what is not, it minimizes the amount of time required to achieve goals, and it maximizes productivity.

10. Believe in the change and speak up. This isn't so much about *self-help* as it is making positive ideas a reality! As change begins, start talking about how great it will be. And if change is not yet happening, talk about past accomplishments to capture the emotions, excitement, and energy your team needs to forge ahead. Whether you are a junior employee or the CEO, show your enthusiasm for the project. *Change* comes from the *heart*, not from corporate messaging. A sense of possibility for the future of the company is contagious!

If you see that a change is needed but you aren't the leader, don't just sit back and be told what to do—*be proactive*! When you show *your commitment* in creative ways, you'll be asked to run the show sooner than you think. **LE**

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ACTION: Be a more proactive leader.

McDonald's Secret

Seek to achieve the triple win.

by Kate Vitasek and Karl Manrodt

McDONALD'S HAS A SECRET SAUCE. And it is not what you think. It's about how McDonald's keeps their *three key stakeholders*—the *company*, restaurant *owner/operators*, and their *suppliers*—in balance with a *Systems First* mindset based on trust, loyalty, and fairness to ensure no stakeholder *wins* at the expense of others.

Kroc famously said, "None of us is as good as all of us." He knew that he couldn't implement his vision alone. His philosophy led to the McDonald's *System*, based on the belief that *everyone* in the *System* should win.

Kroc often referred to *McDonald's Corporation*, the *owner/operators* of the restaurants, and *suppliers* working together to build his vision as the *three-legged stool*. He stressed that each leg needed to do well for the group to prosper. If one leg did not grow in capabilities and profitability, it weakened the stool. Kroc wanted *everyone* involved with the business to thrive.

Kroc turned his *vision* into an established *ecosystem* based on trust, loyalty, and fairness that motivates suppliers to invest in McDonald's business. His System is credited for revolutionizing the restaurant business and helping McDonald's rack up corporate leadership awards including a No. 5 'Most Respected Company' ranking from *Barron's* in 2011. *Businessweek* recently included McDonald's in its list of the 20 Best Companies for Leadership.

For *suppliers* and restaurant *owner/operators*, being *in the System* means not being afraid of investing heavily in the McDonald's System to create a competitive advantage—in key business drivers such as cleanliness, quality, value, assured supply, safety, and being better, not just bigger. It also means everyone —even suppliers—are highly motivated to bring innovation to McDonald's. In fact, suppliers are credited with cre-

ating the Big Mac *secret sauce*, perfecting the frozen French fry and inventing the Chicken McNugget, along with developing manufacturing patents that drive productivity improvements.

Kroc established relationships with McDonald's suppliers on a *simple handshake* built on trust, loyalty, and fairness. Many find it hard to believe that even today McDonald's most strategic suppliers *still operate on a handshake!* Francesca DeBiase, McDonald's VP of strategic sourcing, Worldwide Supply Chain Management, says the rationale for handshake deals is just as powerful today: "Many of our strategic suppliers have worked with us for decades. They know we base our partnerships on *mutual trust, respect*, and *financial success*."

How has McDonald's sustained this culture for 60 years? The world's most successful business relationships have several things in common: everyone involved in the enterprise collaborates through innovations and sharing value to produce the long-term win-win. Or in the case of the McDonald's three-legged stool, the *win-win-win*.

These successful relationships follow five principles: 1) Focus on outcomes not transactions; 2) Focus on the *what*, not the *how*; 3) Agree on clearly defined and measurable outcomes; 4) Optimize *pricing model incentives*; and 5) Governance structure should provide *insight*, not merely *oversight*.

These rules create *competitive advantage* and are a key to how companies work together to *inspire innovation, create value*, and *reward success*. *Vested Outsourcing* means creating outsourcing relationships where companies and their suppliers become *Vested* in each other's success. Partners strive to drive benefits for the company outsourcing and its supplier or service provider partners. From the start, Ray Kroc used an *outsource model* for operations. He created alliances with *restaurant owners/operators* and *suppliers* that operated with *long-term thinking* based on trust and transparency. He and McDonald's engaged suppliers who were entrepreneurs, who invested in the McDonald's System. He worked with them to develop products and processes that served *owner/operators* and brought profit and growth to the supplier's bottom line. **LE**

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ACTION: Seek the triple win in your business.

Exponential Growth

Have you watered your bamboo?

by Greg Bell

WHEN I ASK PEOPLE, *Have you watered your bamboo today?* I get puzzled looks. What does cultivating a crop of giant timber bamboo have to do with leadership? A lot. There are some 1,500 species of bamboo, but giant timber bamboo does something amazing: *If you water giant timber bamboo in the first year, nothing happens. If you water the second year, nothing happens. If you water the third year, nothing happens. But when you water the bamboo the fourth year, it grows 90 feet in 60 days!*

Do you want such exponential growth? Giant timber bamboo farmers water the seed and tend to it faithfully, diligently, and patiently even though there's no visible evidence of growth for years. We can benefit from understanding the principles giant bamboo timber, and the bamboo farmers, teach us about growth and success. We have evolved into a culture that worships immediate gratification and the cliché of overnight success, ignoring that *overnight successes* usually come only after years of hard work. Giant timber bamboo farmers realize it takes many nights to create an *overnight success*.

Chip Kelly, Coach of the Oregon Ducks football team, realizes this. After his team finished the 2009 season and was headed to the Rose Bowl (Kelly's first year as Head Coach), he explained the impact the *water the bamboo philosophy* made on his team. "To our players, the analogy of *Water the Bamboo* is that you have to keep driving, keep playing, and it will pay off in the long run." The Ducks lost the Rose Bowl but continued to water their bamboo. The team finished the 2010 season with a perfect 12-0 record, advanced to the *BCS Championship* and won the 2012 Rose Bowl.

To help you see the power of Watering the Bamboo and how to integrate the philosophy into both your leadership style and your culture, let me share four *Bamboo Rules:*

Rule 1: Avoid making choices for expediency that are not guided by values. Dissatisfaction, frustration and stress are often caused by people and teams engaging in behavior and activities that are misaligned with their deeply held values. Leaders, employees and organizations often get pulled in many directions, struggling to keep up with the pace of life, competitors and the constant flow of activities and information that must be processed daily. Too many people spend too little time on the things that are truly important. Success, after all, isn't derived from simply engaging in activity; success is about engaging in activity that matters most to you and your organization. This is why the road to success starts with unearthing and bringing clarity to your values—both your personal values and those of your organization. Having clarity enables you to crystallize what's important so you schedule time around those things; avoid the distractions, flirts and external demands of

life so you can reserve your precious resources for highest priorities; make better decisions because you've run those decisions through your *values filter* to act with clarity and integrity; and *walk your talk* so you are living authentically.

Leaders who spend time developing their values and working in alignment with them are more focused, energized and happier because *they are clear about what's important*. They often report dramatic increases in company performance and an improved work culture.

Rule 2: You must retreat to advance. People often react negatively to conversations about vision because they are not used to talking about what they really want. We habitually share cynicism and frustrations without hesitation, but it's somehow harder to share our hopes and dreams or encourage that in others. Even when good things happen, people tend to chalk it up to a lucky break. Those who water their bamboo to exceptional growth start the process by envisioning how it will look at the end. A compelling vision of what success looks like stimulates passion, focus and enthusiasm for attainment, despite the setbacks that inevitably occur along the way. Could Coach Kelly and his team have felt defeated when they lost in the 2010 Rose Bowl? Of course. But maintaining their vision and continuing to water their bamboo helped them achieve superior performance.

Rule 3: Get out of your own way. As Theodore Roosevelt said, "With self-discipline most anything is possible." Great achievement is largely the consequence of self-discipline. While circumstances and ability play a role, research shows that your daily actions have a much greater impact on whether your bamboo grows than talent or luck. Self-discipline is best defined as the ability to control your conduct by using sound judgment, rather than allowing yourself to be driven by impulse or emotion. People and organizations that stay focused on their vision and goals and consistently follow their priorities tend to succeed in any endeavor.

Rule 4: No person is an island. We celebrate individuals as being *self-made* and tend to forget that *success takes teamwork and relationships*. Sure, we know names like Bill Gates, Oprah Winfrey or LeBron James; however, we do not see the thousands of people who support them and help them achieve greatness.

The roots of giant timber bamboo grow over 100 yards, intertwined beneath the ground, providing support to each other and enabling them to endure setbacks and challenges.

The same is true for you: your success depends on the quality of your relationship roots. By watering and improving your relationship roots, you gain valuable resources such as information, energy, work efficiencies, income, ideas, and increased productivity.

I find **four stages to building strong relationships:** 1) Building trust through both actions and words; 2) Cultivating relationships by engaging in empathy and self-disclosure, sharing authority, seeking input, and collaborating to problem-solve; 3) Taking risks and challenging yourself to reach out to offer and ask for help; and 4) Being empowered by the deep trust you've developed in your relationships.

In life and on the bamboo farm, it's what's under the ground that creates what's above the ground! **LE**

Greg Bell, CSP, is author of Water the Bamboo: Unleashing the Potential of Individuals and Teams, *and founder of the Water The Bamboo Center For Leadership. Visit www.waterthebamboo.com or follow @WatertheBamboo.*

ACTION: Water your bamboo to gain growth.

Results/Relationships
Finding the right balance.

by Lee Ellis

As a child, riding a seesaw was fun, wasn't it? Well, except when you didn't have equal weight on both sides—then it was *out of balance* and someone got stuck in mid-air. *Is your leadership out of balance?* Most likely it is, since more than 85 percent of the population tilts toward being strong at either *Results* or *Relationships* and weak at the other.

What's wrong with being out of balance? If we assume that *character* is the foundation of leadership, then there should be an inner motivation to accomplish the mission (get *results*) and take care of the people (build *relationships*). If you don't get results, you can't succeed in your work or justify your purpose; and if you don't take care of your people, some will *quit and leave* and some will *quit and stay*. In either case, it's not a viable situation. So in the long run, balancing a concern for people with accomplishing the mission is crucial to success.

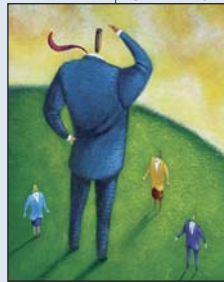*Identify your natural bent.* From the two lists below, decide which behaviors best describe your *natural* talents. This indicates your *natural leadership style* and predicts the direction of your tilt and where you need to improve your balance. If you can't determine your *natural bent*, ask someone who knows you well.

• You're *Results Oriented* if you: take charge, decisive; introverted, focused; high standards, task-oriented; speak directly; logical, organized; skeptical.

• You're *Relationship Oriented* if you: encourage, support, trust, listen well, give positive feedback, are concerned and caring, and develop others.

How do you gain a better balance? First, know that most of your strengths are natural—you are born with them and naturally out of balance. To get better, you need to learn some new personality talents (behaviors). You don't need to give up who you are or what you have, and you don't need to *reinvent yourself*. Rather, you augment your strengths by adapting new behaviors that will make you more effective. You learn a *few behaviors in your weaker* area that bring you more in balance. This is hard because it's not natural, and so it often feels awkward.

• *Results-oriented leaders need to soften up.* If this is your style, you need to develop good interpersonal skills. You know it—you just don't want to go there. For example, learning to patiently listen, really understand, and then affirm the ideas of others can feel scary. For some, the needed skill might be learning to give specific, positive feedback. These *soft skills* are easy for relationship-oriented leaders; but for the tough rational results group, they can be terrifying—they feel out of control and out of their comfort zone. It takes courage for a thick-skinned, results-oriented person to do these *people* things.

• *Relationship-oriented leaders need to toughen up.* If your style is naturally, highly relational, you need to identify a couple of *results-oriented behaviors* to work on. You might learn to be more decisive and more direct in giving guidance and setting standards. Casting a stretch vision and conducting difficult conversations keeps team members moving ahead. It may be intimidating, so plan what to say and then courageously deliver your message; it's the only way for you to *gain a better balance* and be the leader you want to be.

Small changes pay big returns. No matter which side of the balance scales you're on, adapting new behaviors on your weak side leads to improvements. Over time they become easier, facilitating even further change for you as the leader.

It takes courage to change. You can't become a better leader by reading books and going to workshops—you have to change your behaviors. You have to *give up some of your old habits* like dominating or withdrawing, and engage others with a more balanced leadership style, and you have to do it under the daily pressures. That's what it means to *lead with honor—having the courage to do what you know you should do.*

Take the first step. Now you know what you need to do to gain a better leadership balance. What will you do differently? Who will you engage as your support team to encourage you in your growth? As you make progress balancing on *the leadership seesaw*, help others to gain a better balance. **LE**

Lee Ellis is president of Leadership Freedom, a speaker and author of Leading With Honor: Leadership Lessons from the Hanoi Hilton. *Visit www.leadingwithhonor.com.*

ACTION: Seek better results/relationships balance.

Leadership Journey
Capture the salient lessons.

by Steve Arneson

Whether you're planning a trip or your own leadership development, you need a plan: *If you don't know where you're going, any road will take you there.* Any journey worth taking is worth planning, especially when it comes to plotting the course of your leadership skills improvement.

If you want to get better as a leader, first reflect on where you've been as a leader. Are you regularly reflecting on your lessons learned? The leader who doesn't learn from his or her mistakes is doomed to repeat them. What were the critical moments that really shaped you as a leader? How did you react? What did you do well, and what could you have done better? How did others respond to you? When did you start to feel like a true leader? And, what did you learn from these moments?

Leadership is a personal experience, since the specifics of your situation make your leadership story unique. All of us can remember *critical incidents* that shaped us—times when we learned from a mistake or stepped up in a big way. Maybe it was standing up to a boss when you knew you were right. Maybe it was failing to pull the trigger on a bad hire, or supporting an employee who turned out to be a star. Perhaps it was influencing a major decision, or helping a peer who was struggling with a project. Or maybe it was listening to feedback and recognizing that you needed to change your style.

Some lessons involve other people, and can reveal patterns—like *failing to leverage colleagues or to build a strong relationship with the boss.* Other lessons involve your own judgment—a fateful read of the strategy that led to a poor decision, or *opportunities seized* because you took a calculated risk. Your career is filled with times when you made the right call, did the right thing, or learned a lesson the hard way. These are *touchstones* of your life as a leader, *milestones* along your leadership path. Your journey provides insights into how you should develop. Where you've been can help clarify where you need to go. By reflecting on your lessons, you can build a development plan that optimizes your remaining growth areas.

Write Your Own Leadership Journey

There is an easy way to document your lessons and build your leadership story. Start with your first leadership role, when you first began to manage people. Write the company, your job title, and time in the role. Remember when you got your first direct reports to manage? Were you excited, maybe a little intimidated by the responsibility? You probably did several things right; but you might have made a few mistakes, too. Think back to that job—what were the two or three most critical incidents that happened in that role, and what were the most profound lessons from those experiences? Write them down. Think about the experience, and capture the essence of the lesson in a few simple words. Now, go on to your next role and repeat the process. Trace your entire career as a leader and record critical incidents and lessons learned along the way.

Put your leadership story on slides or practice telling it from memory. Share it with your boss, peers, team, or entire department. Sharing your leadership journey allows you to role model *three powerful leadership tools* at once—*reflection, story-telling,* and *life-long learning.* Take your audience through your career, and tell the stories that have molded your leadership philosophy. Stories make your lessons come alive and cast you in a favorable light, as they generally involve you having learned from mistakes. Share your journey with pride—these are lessons that had a profound impact on you, and sharing them candidly demonstrates that you're open to learning from the lessons that lie ahead. The process of writing down your leadership lessons will also help you establish authenticity, which is critical for leaders. The process is very effective if you have a reputation for being *hard to read*—somehow the personal journey showcases you as a regular person.

Every experience has shaped *the leader you are today.* By studying where you've been, and what you've learned, you can better chart the course of your future development. What *leadership lessons* do you need to learn? What *traps* do you want to avoid? What *experiences* do you need to add to your story? Reflect on your journey by writing and telling your leadership story, and you'll create a more vivid roadmap for self-development going forward. **LE**

Steve Arneson, Ph.D., is President, Arneson Leadership Consulting, coach, speaker, and author of Bootstrap Leadership. *Visit www.arnesonleadership.com; email steve@arnesonleadership.com.*

ACTION: Write your own leadership story.

Facilitating Leaders
They make work creative fun.

by Bryan Mattimore

Soon after 9/11, I was wearing a hard hat in the underground passages of Rockefeller Center, on a service call with Mo, a 20-year veteran with ConEdison. I was doing interviews in preparation for a *creativity workshop* for 50 ConEd senior managers. That day with Mo changed *my view of leadership.*

During a break, I asked Mo: "What are you most proud of in your work?" His answer (and those from other ConEd employees) surprised me. Each said that they were most proud of the *creative contributions* that they had made to the company. Helping the company do something new and innovative was their greatest source of pride.

Leaders need to create an environment and adopt a style that encourages people to make creative contributions. New ideas are essential for growth, profitability, and sustainability. For people to be happy in their jobs, and proud of themselves for their work, they need to make creative contributions.

So how do *enlightened* or *facilitating* leaders help create a culture that fosters *the creation and contribution of new ideas*? The answer is not simply a better-designed and managed employee suggestion box program. A shift within the psychology of the leader is required.

The facilitating leader must encourage new ideas without being threatened by them (or taking credit for them) and be comfortable using *group creative ideation techniques.* These can be *customized.* For example, you can use *triggered brainwalking, picture prompts, wishing,* and *worst idea* for creative challenges, *semantic intuition* for new products, *questioning assumptions* for strategy, and *role-playing* for HR and management challenges. For *creative contributions* to occur at all levels, facilitating leaders must champion philosophies of creativity and innovation.

My partner Gary Fraser and I have formalized **10 principles of innovation.**

1. Exploit the enterprise's unrealized innovative capability. Every enterprise has an extraordinary capacity to inno-vate. This unrealized innovative potential must be recognized and developed.

2. Innovation opportunities are everywhere. The *whole enterprise (not just a few)* needs to embrace innovation.

3. Human creative potential is to be embraced. *All employees* can make important creative contributions to the enterprise. Don't waste that potential.

4. An inspired, higher-order company, department, or team vision liberates growth potential. An inspired *vision* can, paradoxically, both focus and liberate the creative thinking necessary to realize enterprise growth opportunities.

5. Ideas drive growth. Since ideas drive *growth* and *profitability,* they must be recognized, nurtured, and welcomed.

6. Implementation requires commitment. Moving ideas from *creation* to *fruition* is difficult; the path is rife with frustration and dead-ends. The enterprise must get comfortable with the *difficulties* and *messiness* of innovation.

7. Creativity and ideation drive attitudinal and cultural change. The act of *creating and implementing ideas* engenders enthusiasm, energy, and loyalty. Encourage people to contribute to ideation and innovation processes.

8. A team's unique power to create and innovate must be understood and celebrated. While some ideas are the *eurekas* of individuals working alone, cross-functional teams have unique abilities to develop ideas into innovations. The quality of *creative energy* in a group goes beyond *individual* capabilities—*the whole is greater than the sum of the team's parts.*

9. Pockets of passion are incubators of successful innovation. Identify areas where true innovation is passionately demonstrated—then develop the *more innovative enterprise* from these cores.

10. Seek outside partners in the search for ideas. Don't be so *inwardly focused.* Some of the best ideas reside outside, among your network of distributors, customers, and suppliers and in the broad market of consumers. Tap into those outside resources to maximize ideation and innovation.

Championing these *innovation principles* and learning specific *ideation processes* will boost your creative potential and help the company grow, and make it a more dynamic, interesting, fun, and meaningful place to work. **LE**

Bryan Mattimore is author of Idea Stormers: How to Lead and Inspire Creative Breakthroughs *and Co-Founder and Chief Idea Guy of The Growth Engine Co. Visit www.growth-engine.com.*

ACTION: Become a champion of innovation.

High-Octane Leadership

Times of adversity require higher standards.

by Lisa Junkerman and Craig McAllaster

TODAY'S LEADERS FACE INFINITE CHALlenges, performance pressures, and marketplace dynamics. While leaders can control their own behaviors by doing business ethically and acting with integrity—their ability to influence culture change or improve performance can sometimes be beyond reach.

So, what *can* leaders do to step up? By better managing the *five points* of *high-octane leadership,* you can become more accountable for the areas you can influence while being less vulnerable to the dynamics beyond your control:

1. Lead organizational values. Leaders earn respect through character. Leaders with integrity *live their values.* Their courage, deeds, and behaviors are positive reflections of what is important to them. *Corporate social responsibility* efforts can impact the bottom line when those initiatives align with an organization's values and practices. As a leader, you can take a personal stand on issues that impact the greater good, turning those into *differentiating values* that set new standards for your industry. Leaders need to back their proclamations and practice what they preach. Many use the words *honesty* and *integrity* to define their values. But senior leaders can do more than set an example—they can influence behaviors. Levels of honesty are set at the top, and ethical lapses occur mostly in leaders because of such forces as enormous power, access to money with low visibility, control over perks and fringe benefits, and an absence of checks and balances.

2. Create and champion a results-driven culture. Culture is built from the top, and to succeed in today's challenging and competitive marketplace, business savvy isn't the only competency leaders must gain. To be effective and to make a positive and lasting impact, leaders must operate with integrity, be supportive of and accountable to one another, and be unified in their approach. Look across your senior leadership team. Do you see leaders who exemplify these qualities and display concern for the greater good of the organization?

Jim Collins notes that *Level 5 leaders* channel their ego needs away from themselves and into building a great organization. They're driven with an incurable need to produce results, and they display a workman-like diligence. They're ambitious, but their ambition is for the institution. When things go wrong, they take full responsibility.

3. Know the macro and micro: think visionary, act entrepreneurial. Good leaders bring *entrepreneurship* mainstream and *think outside of the box.* Employees need reassurance that, when failures result from their out-of-the-box think-

ing, it's acceptable. To some, *Steve Jobs* was a perfectionist; to others, a control freak. But Jobs took full ownership of the total customer experience and provided the best products imaginable. That focus benefited his employees and shareholders. He set an example at Apple that leadership is more than delegation and assumption—it is knowing the minds and behaviors of consumers. In his book, *Steve Jobs,* Walter Isaacson notes that during the development of the iPhone, members of Jobs' team argued for using a physical keyboard in place of a touch screen. Jobs vetoed their idea because he felt it would be too restraining. He envisioned more innovative capabilities that would only be possible if software were to replace the hardware so the screen could be more flexible and adaptable. Jobs then spent part of every day for six months helping to refine the display to make it all work—and *the rest is history.* To Jobs, the consumer experience and Apple's

image, was prioritized because it was far too important to chance. Even the best marketing won't matter if you don't have a great product to sell.

4. Build a leadership arsenal. Leaders must hire the right team to build and sustain a high-performing organization, selecting people on the basis of merit and how well they model values.

Assess the individuals on your team. You may have inherited a team without the experience and skills to undertake the responsibilities assigned to you. Or, you may have the luxury of selecting your team members. So, *build on their strengths, help them overcome their weaknesses,* and if they can't help achieve team performance goals, *replace them.* As Jim Collins says, "Get the right people on the bus, the right people in the right seats, and the wrong people off the bus." Great vision with mediocre people still produces mediocre results.

5. Communicate with purpose. High-octane leaders are strong and effective communicators. They view communication strategically, as a means to inspire vision, enhance performance, and shape perceptions. It can be lonely at the top, and advisors often tell leaders what they want to hear. Half of all CEOs experience loneliness in their role; and of that group, 61 percent feel that isolation hinders their performance. As a leader, you have an obligation to be proactive. Clear, transparent communication—including admitting mistakes—is imperative to effective leadership. We want leaders who are honest about challenges, rather than holding back to avoid sparking fear.

Assess your communication effectiveness. Do your people know what you expect of them? Have you defined your expectations? Do you give them feedback so they can repeat outstanding performance or improve? Help your people learn from your experience; share information that can improve performance. Guide others to success. Communicate your expectations clearly.

In cultures that are *ethically desensitized,* employees rationalize doing *whatever it takes to get what they want* since no one is held accountable. They may think that they must engage in unethical or illegal conduct to succeed. As a leader, you need to *set superior standards.* Celebrate managers and leaders who put public and shareholder interests first, who show that *by doing the right thing you can still come out ahead.*   **LE**

Craig McAllaster is Dean of Rollins MBA program, and alum Lisa Junkerman, are coauthors of this essay in The Encyclopedia of Human Resource Management. *Email spreto@fusionpr.com.*

ACTION: *Set and model high performance standards.*

Avoid Fatal Crashes
### *Leaders and their blind spots.*

by Ira Chaleff

EVERY AGE HAS ITS metaphors. From the agrarian age, we get images like *a tough row to hoe* and *closing the barn door after the horses have escaped*. From the industrial age, we get a *wrench in the works* and *the economy overheating*. The age of the internal combustion engine gave us the metaphor of *the blind spot*. We all learned that failing to compensate for *the blind spot* held lethal consequences.

We adopted the *blind spot* metaphor in our *leadership development language*. The famous *JOHARI window*, named after Joseph Luft and Harry Ingham, depicted the quadrant of *things known to others but not known to us* and the desirability of reducing its size. 360 assessments (feedback from colleagues all around us), were designed to reveal the content of our blind spots. We could then correct this and avoid *undesirable consequences*. In a year, we would do another *360* to monitor progress.

Really? What would happen if we only looked in our vehicle's *blind spot* once a year? Splat! Since *there are always new risks entering our blind spot,* we must develop the instinct to *always* check our blind spot before changing lanes.

How do we do that? We don't do it by coming into a meeting and declaring "Folks, we're going to make the *biggest and best lane change ever,* and I'll need your total support! Does anybody have a problem with that?" You're sold on the idea, and no one will try talking you out of it once you've made up your mind and announced it to the world. You may demonstrate a type of leadership, but your *risk management grade* is an "F". And if you get away with the blind maneuver three or four times—you stop believing that any 18-wheeler can be in your blind spot. Splat!

Now, what if *you* are driving the 18-wheeler? In a way *you are*. As leader, you're the biggest thing on the road in your unit. Others get *too close to you* at their own risk. Talk about *throwing your*
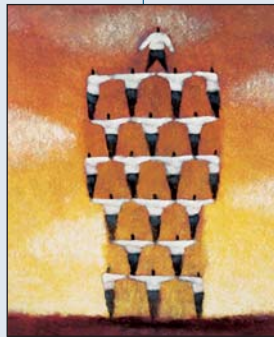
weight around*! You can reach or exceed the speed limit with the best of them, only you weigh 80,000 pounds loaded, to their 3,000 pounds! If you hit something, or overturn, the damage to anyone nearby is massive—and the road is closed until the carnage can be cleared.

Yet, do you know that there are multiple blind spots for the 18-wheeler driver? According to *Edmund's:* "Trucks have large blind spots to the right and rear of the vehicle. Smaller blind spots exist on the right front corner and mid-left side of the truck." And, according to an experienced 18-wheeler driver, "If an 18-wheeler is driving 55 mph, on flat ground, with the roads dry and fully loaded, it will take over the length of a football field to safely stop."

As a leader, you need the equivalent of a *Class A Commercial Driver License* (required of big rig drivers) with no restrictions to the load you carry. Yes, you need to drive fast to reach your destination in time to satisfy customer requirements; and yes, you need to change lanes deftly when your progress is slowed so you stay competitive. But you also need to check the blind spots so you deliver results safely and profitably. How do you do it?

Here are six road rules:
• Place people around you who *tell you what they see,* not what they think you want to see—they're your mirrors and life-savers.
• Always pose your ideas for change by saying "This is what I'm considering" not "This is what we're going to do."
• Always ask for what you may "be missing" or "not seeing" that could pose additional risks to manage.
• Listen to responses carefully. Give others full latitude to advise you how to manage the risk or not take the risk.
• Question their reasoning respectfully. Seek to understand and verify their data and reasoning, not to humiliate.
• Make your decision based on the data in this situation, not on risks you have gotten away with. Be an adult driver, not an invincible teenager.

The *vehicle* and *driver* metaphor may be nearing its end. The next metaphor may be the *onboard robot* that won't let us change lanes unless safe to do so and of the *personal drone* that gives us eyes in the sky! For now, keep looking over the shoulder! *Every time!* **LE**

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ACTION: Learn to look in your blind spot.

Rescuing Diversity
Is this the CEO's task?

by Irving H. Buchen

DIVERSITY HAS NOT been an easy sell. Imposed from without, often non-negotiable and accusatory, it went through the ranks like a fire storm. Hastily mounted programs of *diversity training* were often disasters—inflaming rather than taming racial stereotypes. Cases of *reverse discrimination* appeared. It was a hard time for CEOs who regularly celebrated the exceptional status quo.

Looking ahead and assessing what diversity has contributed, I see three qualities that affirm affirmative action.

1. We saw a major shift in emphasis from sameness to difference, from *vanilla* to *rainbow,* from *look-alike* to *variety.*

2. We then saw a strong shift from the singular to multiple, from *solo* to *choral,* from *monolithic* to the *mosaic.*

3. For the first time diversity mirrored the customers and the society in which it functioned. Each company acquired *the reality of resemblance.* Even more astonishing, the multiple gifts of diversity now minister to and support global customer access.

All this suggests that we *may have sold diversity short,* especially as a version of talent, for three reasons: its coercive origins, the appearance of favoritism, and the personnel dislocations that followed in its wake. But a case can be made for CEO intervention to converge diversity and talent recruitment as a first task.

The strongest argument is the claim that *the diverse make up of the American workforce is largely responsible for its innovative achievements.* Indeed, no talent recruitment program that ignored or slighted that unique contribution of diversity could not enjoy sustained support. Similarly bringing the diversity of difference to team composition enhanced team talent and performance. The ability to think in terms of alternatives and apply the diversity principle of multiplicity was equally critical. Finally the degree to which diversity positioned companies to be of a piece with diverse global markets insures their success in a global economy.

It is time to rescue diversity from the periphery and to integrate and make it

part of the mainstream of talent recruitment. By doing so, we bring new vigor and variety to the search process; in particular, we would claim the following:

- Diversity is a talent in its own right.
- It is also a multiplier of differences.
- It encourages multiple perspectives.
- It imparts range to the generation of alterative systems.
- It enjoys a symbiotic relationship with innovation.

Given such benefits, *diversity* and *talent recruitment* need to be partners.

The second task is the maintenance of a diverse organization not as act of compliance but of vision. This is not easy. Recall the story about hiring practices at Oxford and Cambridge for *overseas assignments* in the early 20th century. Favoring certain colleges, and only those graduates taking first in classics, recruiters for rubber plantations in Malaysia concluded, "Of course they'll fit in!"

To many of us today this appears precious and self-serving. There is no mention of *knowledge* of rubber extraction, how to run a plantation spanning many miles, and overseeing hundreds of native workers and their families. The only concern is sharing pitchers of gin and tonic in the evening and weekends. *Yet, it worked*: quotas were met, rubber was extracted and shipped out, and a fragile society was sustained and maintained 6,000 miles from Oxbridge.

We must admit the degree to which *fitting-in* still rules; and the preference for sameness still dominates hiring. Thus we talk often about the *chemistry* of an appointment, how it matches and enhances the personalities of those already there; won't miss a beat because already up to speed; mirrors the work of the unit; and is thick-skinned and can tolerate sometimes caustic exchanges. *Fitting in still trumps* because of the profound need to *belong*, to be part of the group, to be at home. But cultures are often coercive in muting differences to *facilitate belonging*. So it takes intervention to change workplace composition.

Here are two quick correctives: 1) Stop recruiting from the same universities and colleges, from the same parts of the country, from the same cohorts and sociological sectors, only MBAs, only from the U.S.; and 2) Use virtual technology to import diverse talent to enrich problem solving and extend the innovative reach of teams. *Diverse companies* are *talented companies*; and *talented companies* are *diverse companies*—if the CEO presides at the intersect. **LE**

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ACTION: Seek to become a diverse company.

Power of Visioning
Harness it to be a better leader.

by Robert P. Hewes

ONE GREAT PLACE TO start becoming a better leader is to create a vision—a big picture of what you do and where you are going. Great leaders know where they are going, paint a compelling vision, work to get there, and motivate others to join them. And, they use the vision to guide work and to make choices about daily activity.

This sounds simple, but in practice it is anything but simple. Over time, you face many choices of where you and your team spend time. How do you make those choices? Also, people need to understand the *what* and *why* of where they are going—the context. Your vision is the specific context.

Why do this? Would you ever remodel your home without first having a *vision* of what you want? No, you would have an extensive vision of what you want it to look like. You'd describe the future use and many neat features. Do the same with a vision for your organization. You spend so much time at work—you need to have a clear picture of where you are headed.

Yes, you should have a vision *in any position*. You need a vision for your area that aligns with the overall vision of the organization. Working on a vision may seem like *one of those activities*. In the short-term, it might be fine to operate without one. But eventually, people want to know *why we are doing what we are doing*. You can't avoid having a picture of where things are headed. As a coach, I say *get in front of this*.

Here are three ideas to visioning to put into practice to become a better leader.

• **First, create a vision.** Create a compelling description of where you are going. It is the *what* and *why* of your group's being. As you start creating a vision, first see the bigger picture. Describe the *what* and *why* for your area. Don't get tied up in the *how*. Start with the goals and activity of your group. Start with things right in front of you. Describe *what* you are doing and *where* you are going. Answer the vision questions: *What are we working*

towards?, What are we working to achieve? and Why are we doing it? Next, think: In one year, where do want to be? Test the vision with other people. Talk it through. Identify what is clear and what isn't. Describe your vision in 30 seconds (elevator pitch), three minutes or 10 minutes depending on the need. Write it down. It should be short, pithy, and instantly understandable. It causes others your group interacts with including customers to say quickly "I see it" or "I get it."

• **Second, make it a shared vision.** *Shared* means that your entire group gets it; they can communicate with it. Any powerful vision should be shared. Others should talk about it and believe in it as much as you do if not more. A leader works to make it a *shared* vision. This is a critical leadership point as this will not happen without effort. A key test is to see that others understand it and communicate with it. If people are describing something different, it is not yet a shared, coherent vision. A leader addresses this and works to having it be shared and coherent. Consider this: Think about the vision being shared from the beginning. Involve others in creating the vision. Have people in your group communicate with and about the vision. Identify the different forums in which you can socialize it. There are many methods; you need to be creative to choose what works best in your organization. This does take time, but a shared understanding does build over time if you are diligent in this step.

• **Third, use the vision.** Ultimately, you and your group have results to achieve. Use your vision to make choices in achieving those results. Once you create a descriptive, compelling shared vision, use it! So, put your vision to work by using it to motivate and make choices. Regularly *check that your work is in the direction of the vision*. If activity is not aligned, make adjustments. Ask some big-picture questions about the work being done. Be disciplined in checking alignment.

Creating a shared vision puts you on the path of becoming a better leader. Having a compelling vision will guide your efforts and motivate those around you. So, create a vision for what you do to shape your future. **LE**

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ACTION: Create and use a shared vision.

Team Charter

Get your team back on track.

by Dana Brownlee

I OFTEN CONSULT WITH team leaders who are frustrated with team members who seem to make their own rules, don't deliver as promised, misinterpret tasks/requests, and complain about unclear priorities. In all stages of team development, team leaders struggle with dysfunctional teams that simply aren't on the same page.

Many factors contribute to this dysfunction—including wrong skill sets on the team, poor leadership, lack of executive support, broken processes, confusing policy decisions, constant change, or poor communications. Since the causes of dysfunction are varied, there is rarely one silver-bullet solution; however, one tool ameliorates many of these issues—the Team Charter. If your team doesn't have one, you will frequently find yourself off course.

What is a Team Charter?

A team charter is a document that a team leader can use to facilitate discussion and consensus-building on the fundamentals that define the team, its goals, and how the team will function to best achieve them.

Team charters typically include these 17 elements: 1) team name—*how does the team refer to itself?* 2) team purpose—*what is the team's reason for being?* 3) strategic alignment—*how does the team's work support and relate to organizational goals?* 4) team customers—*who are the team's customers (internal and external)?* 5) team objectives, goals, and priorities—*what are the team's primary objectives and how are they prioritized?* 6) team leader and sponsor—*who is the team leader and who is the champion?* 7) key stakeholders—*who are the key stakeholders that have an interest in the team's work?* 8) key deliverables—*what are the team's key deliverables or tangible work products?* 9) team member roles and responsibilities—*who are the team members and what are their roles and responsibilities?* 10) team member time commitments—*what time commitments are expected for all team members?* 11) team communication plan—*what are the communication rules for the team?*

How often will we communicate and what forms will communication take? 12) in/out of scope elements—*what tasks/functions are in scope for our team and which ones are out of scope?* 13) assumptions—*what assumptions are we making about our team and how it operates? Are there any constraints or barriers that we should note?* 14) success measurements—*how will we measure team success?* 15) risks—*what risks should the team consider? How can we mitigate those risks?* 16) team ground rules—*what rules should we adopt about how we interact with one another, conduct meetings?* and 17) signatures—*can we all commit to this?*

Try to cover all 17 elements. If you think of the team failures that you've experienced (whether you were the leader or team member), you'll see that most of the failures can be directly or indirectly attributed to lack of clarity or conflict about one of these 17 items. Actually, this process is common in partnering situations with external entities. Any time a group works with a vendor, there is a contract that spells out all terms and conditions and both

parties are expected to sign it. You wouldn't commit to any work with an outside entity without a signed contract—so why do you engage internally all the time without having the same critical discussions? You shouldn't!

How to Develop a Team Charter

In an ideal world, a *new team leader* would kick off the team by conducting a *team charter development session*. You need to have a *meeting of the minds* to ensure that everyone understands the team purpose and their role on the team. Since the team charter covers 17 elements, you might take two or three meetings to work through all elements. Think of the Team Charter as a guide to ensure that you cover all elements that could derail the team if they're not clear. My list of 17 elements is what you need to cover, but you might add a few other elements on which you need to have clarity and consensus.

When you have *conflict* in team charter discussions, see it as a good

thing! You want to uncover these conflicts and work through them at the outset so that you can take action sooner rather than later. The team charter is like a crystal ball—showing you where your team's land mines are months or years in advance so that you can address and correct them early.

Ideally, you might conduct the session as a two-day team workshop in an offsite location to encourage active participation and candor, but it can also be done through multiple shorter meetings, via conference call, or even over email if you have no other options. Even with a two-day session, you'll likely need to assign members of your team to follow up on issues and work out details outside the session. Many teams have a multi-day session, then assign *action items* to be completed after the session (often working through the details), and finally sign the document weeks later once the details have all been finalized.

Why Get Signatures?

Would you enter into a lease agreement or partnership without a signature? No! *Getting signatures is a powerful part of the process*. First, it creates a new level of buy in. When people sign it, they take it more seriously. Also, it changes the dynamic of the team session. For example, they're more likely to speak up and push back when the team leader describes the target cycle time of 20 minutes for customer callbacks if they feel that expectation is unreasonable or the process can't support it. If one person refuses to sign it, this shows you that you have a problem—be grateful that it's revealed early.

The team charter should be a dynamic document evolving with changes in team composition, processes, organization design, or other factors. I love having a team charter to share with new team members joining my team since it projects an image of stability and structure and enables me to solicit their input and let them feel part of the team. What was agreed to by the former team won't be imposed on new team members. Instead, we discuss any areas that need to be changed to incorporate feedback from our new team. Often when new people join a team, factions or cliques develop—the *old team* and the *new team*. The team charter helps you build a sense of camaraderie—it can be your magic wand, guiding you through the process of building a strong team.   **LE**

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ACTION: Develop and use a team charter.

People Mistakes

These 10 are very damaging.
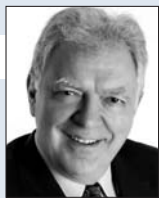
by George Kohlrieser

THE 10 MOST COMMON and damaging mistakes in leadership are *people mistakes*: interacting with people in the wrong way.
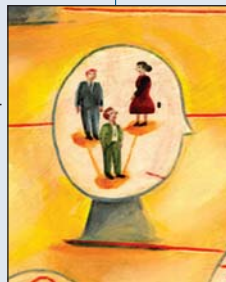
1. Not taking time to bond with people. Great leaders are interested in people and make time to *bond* with employees, colleagues, customers, and other stakeholders. Bonding is a deep emotional connection. You don't have to *like* someone to bond with him, but you must *get to know him* and *sense what makes him tick*—and that takes time.

2. Being unavailable and inaccessible. Clearly, leaders need to delegate tasks. Yet *delegation* should not mean *emotional detachment*. You can't just assign tasks and walk away. Good delegation relies on *connection* and *accessibility*. You can maintain a sense of connection by *signaling* that *you are available*. You need not be immediately responsive to every request—you create channels for people to reach you and *guidelines* for using the channels.

3. Not focusing on developing talent. Too often, leaders focus on driving goal achievement and deny the human need to learn and expand skills and competencies while working. Learning is an integral part of achieving results. When you prioritize learning, you can spot and develop talent in people who might be unaware of it. You become a *talent hunter*.

4. Not giving regular feedback on performance. People only achieve *high performance* if they know the truth about their effectiveness. Leaders who ignore this need rob people of the key to their future. While tough feedback can be painful, great leaders know how to deliver this *pain* in a way that transforms it into *gain.* Recipients even say *"thank you—give me more!"* Talented people—those who want to learn—would rather be *slapped in the face with the truth than kissed on the cheek with a lie.* Convey hard truths about performance to achieve higher performance.

5. Not taking emotions into account. The strongest emotions are related to loss, disappointment, failure, and separation. In fact, loss—and the fear of *anticipated* loss—drive people's behavior more than potential benefits and rewards. Leaders who ignore these strong emotions greatly reduce employee engagement. So, attend to the emotional part of the person's experience.

6. Managing conflict ineffectively. Conflicts block cooperation and alignment around common goals as tension, negative emotions, and polarization build up. So, put these conflicts on the table and resolve them. Your reward is a culture that provides nourishing enjoyment and builds strong teams.

7. Not driving change. Leaders who don't drive change put their companies in danger. Explain the benefits that changes will bring, knowing that people don't naturally resist change—*they resist the fear of the unknown* or the pain that might come with transition. Your job is to be a *secure base* who gives a *sense of safety* and energy to explore. Care enough to encourage daring.

8. Not encouraging others to take risks. Most people are risk-averse. Yet with intention, practice and positive role models, people can shift their mind to embrace risks. Many leaders encourage people to *stay in the safety zone* and *play not to lose.* The best leaders create high trust so that others feel safe and supported to take risks and *play to win.* This *positive way of behaving* fuels change and achievement.

9. Misunderstanding motivation. Most people are driven by *intrinsic motivators* like being challenged, learning something new, making a difference, or developing talents. Yes, most leaders focus on *extrinsic motivators* like bonuses, promotions, money, and artificial rewards. Such external carrots and sticks distort the *internal motivation system.* Inspire people by tapping into what they truly desire to achieve: growth and contribution.

10. Managing activities rather than leading people. Much of management is about planning and *controlling* activities and people. Leadership involves inspiring, encouraging and bringing out the best in people by building a sense of trust and by challenging them to take positive risks. To be a leader, you need to *focus on people as people.* That takes time and attention (bonding). **LE**

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ACTION: Avoid these 10 people mistakes.

Threat Intelligence

Avoid getting caught off guard.

by Dov Gardin

CORPORATE THREAT intelligence is the *proactive*, *holistic* and *constant* collection, analysis, and dissemination of information that predicts and monitors specific threats and risks. It improves *situational awareness* by giving leaders the information they need to make quick and informed decisions.

Why do you need a *threat intelligence program* (TIP)? **It helps you identify challenges before they negatively impact operations,** reducing the risk of being caught off guard, and enabling leaders to take the steps necessary to prepare in advance for adverse events.

For example, many corporations are navigating the perils of transnational business. Sourcing most materials from China made sense in the past when China's industrial base was new and labor very cheap. Even now as labor costs rise, China's robust infrastructure and improved technology lowers the cost of employing people. However, China is also growing richer and older. Its skilled workforce is demanding more pay, and the workforce is shrinking as the population ages. In the next two decades, there will be fewer available workers willing to work for low pay. And with the growing strength of the Yuan, increasing shipping cost, China's growing economic and military dominance in the region, and the potential for trade disputes with the U.S., China will likely soon become a less cost effective place to do business.

The seemingly obvious solution is to move operations to other countries in the region (Malaysia, Vietnam, or Indonesia). But none of these countries have the reliable supply chain infrastructure and stable business and political environment found in China.

A robust TIP helps leaders understand these risks in the context of its operations and goals, and ensure that they have the right information at the right time to make the best decisions for the company. A TIP can also identify options not obvious, such as the benefits and risks of opening operations in politically liberalizing countries such as Myanmar.

• *Threat Intelligence is proactive.* A robust TIP boosts situational awareness

by presenting information about the operating environment and potential threats in a customized, easily understood format. This enables decision makers to see pressing risks and how those risks could impact operations.

A TIP enables leaders to understand internal and external threats *before* a crisis occurs, and to properly prepare for or prevent a crisis—alerting them to potential political or civil disruptions in unstable countries that could jeopardize the safety of employees and operations; it can help leaders understand and mitigate the risks of placing physical infrastructure in locations prone to natural disasters; or it can provide information about the best supply chain routes.

• *Threat Intelligence is holistic.* A robust TIP takes into account *all* threats, including geopolitical risk, environmental trends and threats, civil unrest, industrial action, crime, terrorism, war, social activism, cyber threats, corruption, and transparency of business. It also monitors for internal threats such as poor or non-existent resiliency plans, abnormal patterns in incident reporting, worker conditions in foreign plants, and third, fourth or fifth party business partners. It views these threats in the context of operations, and presents an accurate and focused picture of *specific* threats and the potential impacts of an adverse event. It may also provide threat mitigation recommendations.

A TIP not only monitors tornado activity for a distribution center (DC) in Kansas, but it also takes into account the ongoing shipping strike impacting the flow of goods into and out of the DC, and the geopolitical activity taking place in the region where the goods are sourced. This provides a strong overview of threats, and operations. Threat intelligence also takes a macro view by identifying threats to all DCs in the company's network. A successful TIP will present this information in an easily digestible way for end users.

• *Threat Intelligence is constant.* A TIP operates in real time, monitoring events around the world 24/7. As a company evolves, so do its risks and the threats it faces. New threats also appear while old ones change or disappear. A robust TIP constantly monitors these changes and alerts decision makers whenever a change impacts the threat environment. This empowers leaders to understand the company's footprint daily and to increase *situational awareness* as the world changes. LE

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ACTION: Create a threat intelligence program.

Creativeship
Lessons for evolving leaders.

by Bob Kelleher

HOW CAN LEADERS build sustainable cultures and business models? In my book, *Creativeship,* I tell the story of retiring management consultant Joe Daniels who is anxious.

Driving to his retirement party with his purpose-driven daughter Heather, who represents millions of her millennial peers, sets Joe off on a series of epiphanies, flashbacks, conversations, and revelations. He sees signs that his idea of *leadership* can't sustain business.

Leadership, Joe realizes, has morphed into *Creativeship*—the need to build *sustainable cultures* and *business models*. The collapse of ENRON, World Com, and Arthur Andersen has afforded a painful glimpse at what happens when firms become so focused on profit that they lose their *moral compass* and forget the purpose. *Creativeship* questions the old definition of leadership, providing a roadmap to a new paradigm that organizations must embrace to thrive.

Invest in Six Priorities

Though Joe is a fictitious character, his experiences, anecdotes, lessons and recommendations are real. Through his story, we learn that to be *sustainable* in this world of technological advances, globalization, shifting economic drivers, changing workforce demographics, and corporate social responsibility, firms need to invest energies and resources in six interrelated *Creativeship* priorities:

1. Purpose. Generation Y is motivated by *purpose.* A parallel trend is the vital role Baby Boomers are playing in leading *corporate social responsibility.* After years of focusing on wealth accumulation and career advancement, boomers are re-focusing their priorities. This dynamic, dramatized in conversations between Joe and his daughter, is common.

2. Engagement. Since companies with *high engagement* are *twice as profitable,* it's not surprising that PricewaterhouseCoopers' Global CEO Survey reported that *83 percent* of executives list their *talent management strategy* as their top concern. I agree! I define *engagement* as

the unlocking of employee potential to drive high performance. To help employees reach their potential, leaders must tap into their *intrinsic motivational drivers* and develop a job match that finds *symbiosis* between what an employee is great at, what they love to do, and what needs to get done.

3. Performance. We take keen interest in what is fair. Yet, *fair* is different from *equal.* Recently, a major Internet company announced plans to reward all of their employees (regardless of merit) with a 10 percent pay increase just because the company was doing well. Over time, such a decision erodes performance and creates disengagement. There is no incentive for employees to be high performers when mediocrity is rewarded in kind.

4. Innovation. Companies fail when they cease evolving their product or service, or internal processes. And yet many organizations (such as DEC or Polaroid) are slow to learn this lesson, leading their organizations for *today* rather than creating *cultures of innovation and sustainability.* Creating such cultures requires investing today's cash to discover tomorrow's technologies, products, services, geographies, and approaches. The mantra *innovate or die* has never been more prescient.

5. Tri-branding. The new media that's taking the world by storm is a powerful tool for engagement, staffing, retention, and branding. Building sustainable cultures and business models with the valences that are now part of everyday life requires *tri-branding.* This occurs when companies (such as Apple) build tenacious customer brand loyalty and passion that customers and employees then feel compelled to communicate. In a *Creativeship* culture, HR sets policies that facilitate employees' use of social media since employees are the company's best brand ambassadors.

6. Global growth. No industry is insulated from globalization. Technology is creating a level playing field regardless of where a product is produced or a service performed. To be sustainable, *local companies need to think regional; regional companies need to think national;* and *national companies need to think global.*

Realize that *Leadership* now means *Creativeship* and invest energy and resources in these six priorities. LE

Bob Kelleher is a consultant and author of Creativeship: A Novel for Evolving Leaders. *Email rkelleher@employeeengagement.com.*

ACTION: Invest in these six priorities.

High Performance

Five factors can get you there.

by Andre de Waal

EXECUTIVES ARE UNDER intense pressure to keep their organizations performing at a high level. But many leaders and managers, no matter what they do, see performances slipping. Age-old, sure-fire strategies that once seemed to work now are suspect—and many organizations struggle to simply stay afloat. When the practices of a *High Performance Organization* (HPO) are adopted, the situation can dramatically improve.

What is a HPO? It's *an organization that achieves financial and non-financial results that are exceedingly better than those of its peer group over five years or more, by focusing in a disciplined way on what really matters to the organization*.

This *definition* consists of three parts:

• **High performance is relative.** Performance can only be deemed *high* when it is compared to a peer group of competitors or comparable organizations.

• *Organizations that do well for one, two or three years are not considered HPOs.* High performance is characterized by sustainable *results over time*. A HPO performs well because it does the right things right. If it performs for five years much better than its competitors, it can be said to be a HPO.

• **It's difficult for organizations to achieve consistent growth.** HPOs know what makes them successful over time. They have the discipline not to be distracted by fads. They keep doing what made them successful, and improving their processes, systems, and behavior *continuously*. The main reason for HPOs to start something different is if they see a chance to strengthen their core capabilities and competences.

Five Critical Factors

In my research on what makes a HPO, I've discovered *five critical factors of sustainable high performance:*

• *Management quality:* In a HPO, managers maintain trust relationships with employees by valuing their loyalty, maintaining relationships, and treating people fairly. They are decisive, action-focused decision-makers.

• *Openness and action orientation:* In an HPO, management values the opinion of employees by having dialogues with them and involving them in business processes. HPO management allows experiments and risk taking, and sees mistakes as opportunities to learn.

• *Long-term commitment:* In an HPO, *long-term gain* is more important than *short-term profit*. HPOs strive to enhance *customer value creation* by learning what customers want and maintain long-term relationships with all stakeholders by networking broadly, taking an interest in and giving back to society, and creating mutually beneficial opportunities.

• *Continuous improvement and renewal:* Continuous improvement starts with an HPO adopting a unique strategy that sets the company apart. It simplifies, improves, and aligns all processes to respond to events efficiently and effectively. The organization also measures and reports everything, so it can monitor goal fulfillment.

• *Employee quality:* An HPO assembles a diverse and complementary workforce and recruits people with maximum flexibility to help detect problems in business processes and to incite creativity in solving them. It continuously develops and trains its people—letting them learn from others through partnerships, inspiring them to improve their skills so they can achieve extraordinary results, and holding them responsible for their performance.

These factors are the building blocks to an HPO, and can be arranged in any way is that right for any organization.

By following these five factors, leaders can transform their organizations into HPOs. They can use the *Framework* for deciding *what to do to improve performance and make it sustainable*. They can adapt the framework to their situation by using their experience, expertise and creativity to design a variant that fits.

What makes the Framework unique? Many researchers select their research population based on financial analyses of organizations that excel and then compare these with competitors. They determine the *characteristics of high performance* on the basis of these comparisons. We make no pre-selection.

Benefits of the HPO Framework

What are the benefits of applying the HPO Framework? Since 2006, the more than 2,000 organizations that have worked with the *HPO Framework* have experienced five major benefits:

• *Better employee attitude:* Employees have a stronger orientation toward improvement. They take more responsibility for improving the organization's products, services, and processes. They take more initiative; innovation increases; more new products and services are brought to the market place, in shorter time spans. There is also a more positive mentality and higher engagement.

• *Better cooperation:* Employees cooperate more and better, both internally with colleagues and externally with suppliers and customers. They are more open to ideas from other people and they see themselves as part of an organizational value chain which has to function effectively along all its links. There are better and more frequent dialogues between managers and employees, and also between business units.

• *Better organization:* The organization has a *more unique strategy*. This *uniqueness* is evident in the content and execution of the strategy. This sets the organization apart from its competitors, which raises its attractiveness to new customers and potential employees. There is more focus and discipline. Employees also feel a strong *corporate social responsibility*. This makes that the organization enjoys a better reputation.

• *Better financial results:* The non-financial benefits translate into clear financial benefits. *Productivity* increases as the same people do more, with more success. *Profitability* increases as costs and turnover are lower. The organization's market share keeps on growing. As costs and budgets are better managed, the financial situation improves.

• *Competitive advantage:* Achieving higher HPO scores means better financial results for the organization (compared to competitors). Also, the business units with the highest HPO scores also have the best financial performance.

By forging the path toward HPO status, *in a way that is right for you*, you too can enjoy these benefits! **LE**

André de Waal, Ph.D., is academic director of the HPO Center, the Netherlands, and associate professor HPO of the Maastricht School of Management, and author of What Makes a High Performance Organisation *(Global Professional Publishing). Visit www.whatmakesahighperformanceorganization.com.*

ACTION: Follow the five critical factors.

Train Using Sports Science

Learn from the biology of business performance.

by Jack Groppel

MANY MANAGERS believe that *model employees* are dedicated solely to their work: working overtime, foregoing vacations to move a project ahead, tackling the next big assignment immediately after putting the last one to bed, and rarely socializing with co-workers during business hours. This antiquated notion is counterproductive to high performance.

During the economic recession, many employees worked longer and harder, but *were they more productive*? A productive employee is an engaged employee who is attentive, focused, creative, and emotionally resilient. Is this the face of the American workforce? Statistics suggest otherwise.

• Price Waterhouse Coopers reports that one in four employees intend to leave their employer in the next year.

• Gallup reports that only 28 percent of workers are engaged in their work; 54 percent are not engaged (*sleepwalking* through their work); and 18 percent are *actively disengaged* and acting out their unhappiness on the job.

• AON Hewitt reports the largest decline in global engagement scores in 15 years, stating, "Organizations are exhausted and struggling to find ways to improve or stabilize the future."

Since a disengaged workforce can't reach its potential in productivity, how can leaders turn this around? Some answers come from an unlikely source —*sport science*, a field that combines the disciplines of exercise physiology, nutrition, psychology, biomechanics, motor learning, and sports medicine and revolutionizes how athletes train today, while enhancing their performance and lengthening their careers.

I see many parallels between athletes' and employees' needs in order to perform at their best. Overstressed and under-rested athletes make more mistakes and have higher injury rates. Workers who don't get enough rest also make more mistakes. The key is to approach employee performance in the way trainers now approach athletes—by taking the *whole person* into account. Looking at an employee as a *thinking, feeling, living, breathing* being with *physical* and *psychological* needs— helps leaders achieve *optimal performance*.

Bring Sport Science to Office

Human capital is often a company's highest expenditure, and in knowledge-based organizations, it's the key contributor to both bottom- and top-line revenues. Traditionally, firms manage human capital by trying to improve performance through training and talent management, to ramp up productivity by asking employees to work longer and harder, and to shrink costs through *right-sizing*, or lowering health-care benefits. In spite of—or because of—these measures, employees are failing to reach their *optimal productivity*.

Three discoveries in sport science can be applied to business to improve

performance: *multidimensionality, recovery*, and *periodization*.

• *Multidimensionality* means that to improve performance, people need to improve in *four dimensions*: physically, emotionally, mentally, and spiritually.

• *Recovery* suggests that *in each dimension*, people need *recovery mechanisms*. For example, if you are an athlete and exercise a muscle today, you shouldn't stress it again for at least 48 hours to give the muscle *recovery time* to grow. People also need time to recover emotionally, mentally, and spiritually (by connecting with family/friends, or by aligning to a *mission*) from assignments, projects, or other energy-draining work.

• *Periodization* deals with the long- and short-term work/rest ratio, allowing athletes to endure grueling training schedules and helping employees endure peak work-load periods and challenging assignments. For example, stress is the stimulus, and *recovery* is when *growth* occurs. If there is no *recovery*, there's no *growth*. Periodization enables the person to restore energy and then prepare to enter the competitive arena more effectively. And, it can happen in large doses (e.g., vacation) or small doses (e.g., between meetings).

World-class athletes and corporate employees face similar challenges. Both live in a world of *brutal competition* and *accountability*. Since numbers drive everything, every moment requires sustained attention, focus, and engagement. Like athletes, knowledge workers must fuel their bodies and brains adequately, train for emotional resilience, and improve their mental acuity. Human beings are biological organisms that require sleep, nutrition, and activity to survive and thrive.

Note the *direct relationship* between psychology, physiology, and performance. Ironically, *companies often work against their own bottom lines by drowning employees in health and productivity disincentives*. For example, when companies expect their employees to sit at desks all day, work too many hours without adequate breaks or days off, or sit in long meetings with easy access to finger foods that are high in fat, sugar, and calories and low in nutrients, *they undermine the employees' ability to perform at their best*.

What You Can Do Today

You can take steps that support employee health, boost productivity, and *physiologically optimize team performance*:

• Serve low-glycemic snacks.

• Support those suffering from sleep problems through health coaching.

• Offer meditation or yoga classes.

• Let people take a few hours off before undertaking new assignments.

• Help employees gain *emotional resilience* by accessing *opportunistic emotions* such as *optimism, sense of challenge*, and *mastery*. When they get an *emotional hit in the face*, they can learn to go into a positive solution mode.

• Support *periodization* by encouraging employees to plan for and incorporate periods of rest and recovery, before the next meeting or project.

• Get up and move periodically. This energizes people, and improves focus.

• Ensure that your teams are aligned to the organization's mission, and their own mission, to be *Corporate Athletes*.

To increase revenues, lower costs and improve performance, leaders need to seamlessly link *individual biology* with *the biology of teams and organizations*. **LE**

Jack Groppel, Ph.D., is co-founder of the Human Performance Institute, and VP of Applied Science and Performance Training at Wellness & Prevention, Inc., a Johnson & Johnson company.

ACTION: Optimize your team performance.

Practice Perfect

Proven rules for performance pros.

by Doug Lemov, Erica Woolway, and Katie Yezzi

THREE YEARS AGO, WE REALIZED TO OUR surprise that teaching is a *performance profession*, meaning that the job happens in real time with no *do-overs* —you can't hit the *pause button* or pull the rip-cord mid-performance. **Leaders, too, are performers**—in all conversations—with *only one chance to get it right*.

When other *performance professionals* —musicians, athletes, surgeons—get ready for the big game they *practice*, and they use that time to ensure that when they go live they are successful. Alternatively, when we ask teachers how often they practice to prepare for their lessons, they look at us funny. They—like most professionals—don't embrace, perceive or even accept that practice could make them better.

We realized that *teaching* is similar to other professions in that every profession has tasks that are performed *live*. Think of performance reviews, client and staff meetings, patient exams— almost all of these tasks are performed *live* but few are practiced in advance. And like teachers, who *dramatically improve* when they begin to practice regularly and effectively in an intentional setting, most organizations could get *dramatically better*, with a bit of practice. These realizations seem pivotal to performance and critical to how a leader approaches talent development.

In his book *The Talent Code*, Daniel Coyle examines *seemingly inexplicable concentrations of talent* worldwide. In each *hot spot*, he describes what seems to be an uncanny concentration of innate talent, but turns out to be *better practice* in disguise: *Imagine that a leader could create "hot spots" like the one Coyle describes among Brazilian soccer players. Imagine if you could apply this idea to running better hospitals, to developing better staff, to a thousand endeavors where entrepreneurs and managers create value for the people who rely on and benefit from their products and services. Imagine if leadership could cause a spike in performance sufficient to change a company's perception of what is possible.*

We think practice can do just that. In our book, *Practice Perfect*, we describe 42 rules for *getting better at getting better*. Here, we share seven of the rules for leaders to use when improving the use of practice in talent development.

Rule 1: Encode success. *Effective practice* requires leaders to ensure that participants *practice succeeding*—not without struggle or failure, but with *reliable success*. In sports, academics, or business, *people often unwittingly practice failure*— often when they think they are making their practice more rigorous. When they design a practice to be challenging without sufficient strategy, they learn to fail, and familiarize that feeling. You must practice doing things correctly, or the practice is ineffective.

Rule 5: Replace your purpose. Basketball coach John Wooden's advice to coaches was: "Never mistake *activity* for *achievement*." Every activity in a good practice needs an objective, and the objective is carefully chosen and pursued to mastery. Ineffective coaches often think that *practice itself* is the goal. If you asked them what they are trying to accomplish they say: "We're practicing," and their measure of success is the amount of bustle and noise. True, hard work and productivity matter, but to *practice with purpose* means to choose fewer goals and cycle back to them constantly until success is achieved— and then to continue with them *until they're automatic*. This ensures that skills aren't mastered *and then lost*.

Rule 10: Isolate the skill. New skills are best taught and practiced *in isolation*. Challenge yourself to define small, specific skills and to craft precise drills for each. Great coaches obsess on details— the tiny micro-skills that build automaticity and excellence. As you plan *clear objectives* for each activity remember: If you have too many objectives (more than one or two) or too large an objective to master in the time available, you really don't have an objective.

Rule 16: Call your shots. When modeling particular skills for your team— whether it is a specific technique or how to run a meeting—alert observers to what you're trying to demonstrate so they see it happen. Help them watch strategically and with intention.

Rule 23: Practice using feedback. Teachers, like many professionals, often get feedback on their instruction (in the best schools). They may practice hearing it. They may practice showing that they value it and take it seriously. But this does not make them better at using it. Often the opposite—in meetings we may make a show of busily writing down an idea we intend to ignore. To help people move beyond *taking feedback* to *using feedback*, construct practice so that participants immediately go back to the start of the activity and try it again using the feedback, before they've had a chance to reflect on whether they like it. Try it first; then see if you believe in it.

Rule 34: Everybody does it. As a leader, it is critical that you also model what effective practice looks like for your team. It's vital that you are willing to model key skills that are being practiced by your team and that you ask for feedback on that practice from your employees. This will normalize a healthy exchange of feedback for your team and create a culture of practice within your organization.

Rule 36: Hire for practice. Build a team that is open and ready to do the hard work of practice. Ask candidates to practice and implement your feedback. Before hiring your team, consider the practice task you want employees to demonstrate. When you interview potential hires, ask them to practice tasks that would be critical to their job performance. Then use the practice task as an opportunity to gauge their openness to practice and feedback.

We've all internalized the relationship between *practice* and *perfection*, but *practice* is a better bet to make *permanent* than *perfect*. What you do in practice is likely to become encoded as a result—it will be instilled in muscle memory or mental circuitry and become habit. As a leader, create opportunities for you and your team to practice the skills required for success in your field. And when you practice those skills, *practice success* rather than *encode failure*. **LE**

Doug Lemov, Erica Woolway and Katie Yezzi are coauthors of Practice Perfect *(Wiley). Lemov directs effective teaching practices at Uncommon Schools. Woolway is chief academic officer for the Taxonomy of Effective Teaching Practices at Uncommon Schools. Yezzi is founding principal of Troy Prep Elementary School in New York.*

ACTION: Engage in perfect practice.

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