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Sovereign Leader

The image of a bald eagle—nature’s royal raptor and the symbolic embodiment of freedom—grasping arrows and an olive branch with its talons is emblazoned on the Great Seal of the United States, suggesting the quest for both power and peace. It’s the brand and style that leaders and rulers might emulate today.
The not-so-modest goal of our Excellence 2010 campaign is to be a key part of every leadership development (LD) program in the world, since for so little extra cost we add immense value and guarantee and deliver exponential ROI.

MIT Leadership Center

As I’ve looked at top LD programs this past month, I talked with Deborah Ancona, director of the MIT Leadership Center. She rues the fact that our culture “glorifies the charismatic, while preaching participation, even as we’re bombarded with images of corruption.” She notes that admired leaders are honest, inspiring, self-confident, and adaptive, but “traits alone do not always predict leadership effectiveness.” So they look at the behavior or style of the leader. “Our framework integrates leadership traits with capacities and behaviors. It carries four assumptions: 1) leadership is distributed—it should permeate all levels; 2) leadership is personal and developmental—the best way to create change is to work with the capabilities you have, while improving and expanding them; 3) leadership is a process to create change and make things happen; and 4) in time, leaders develop their own way of making things happen (change signature) through practice, reflection, following role models, receiving feedback, relating, visioning, and inventing.”

GILD and Other Top LD Programs

In tribute to the #1 ranked Linkage GILD program, we prospect articles from several presenters—including David Giber, David Noer, Carly Fiorina, Richard Boyatzis, Roger Nienbergen, Thomas Crum, Pat Lencioni, Marshall Goldsmith, and Warren Bennis. Here are all the top LD programs in 2009:

2009 Best in Leadership Development Ranking

Small to midsize organizations
1. Carnival Cruise Lines
2. Saltwater Institute
3. MediaTc/CLD
4. Badger Mining
5. Weland (Hormel) University
6. AmeriCredit Financial Services
7. Container Store
8. Equity Residential
9. InsureMe
10. Analytical Graphics
11. Simonton Windows
15. Genencor International
16. Creative Energy Options
17. American Laser Centers

Large organizations
1. General Electric
2. Boeing
3. Procter & Gamble
4. Ritz-Carlton Hotels
5. Sun Microsystems
6. FedEX/ELI
7. Microsoft
8. Qualcomm
9. Yahoo
10. Caterpillar Unive
11. Chevron
12. Alcatel-Lucent
13. Capital One
14. General Motors Univer
15. Johnson & Johnson
16. Motomira
17. Peppers/Pepco Holdings
18. Cigna
19. Cigna (20. Mars
20. McDonald’s/HI
21. Whachovia Corp.
22. Bank of America
23. Farmer’s Insurance
24. MasterCard
25. Northrop Grumman
26. BNK Mellon Asset Mgmt.
27. Schwarz Food Company
28. Allied Barton
29. Bill & Decker
30. Archer Daniels Midland
31. Textron
32. Disney/Disney Institute
33. Medco
34. Johnson Controls
35. Jet Blue
36. Digital 40 Luxes
37. UMich/Michigan
38. Harvard Business/True North
39. Utah Valley Univ/CAL
40. Duke/Fuqua
41. Yale Leadership Institute
42. Stanford/GSB Leadership
43. Emory Univ.
44. BYU/ Marriott Leadership
45. Pepperdine/Gradschool of ISBM
46. Carnegie Melton/Tepper Leadership
47. Alliant/GSM
48. OSU/Peaker College of Business
49. Roberts College/Commm GB
50. Rider Univ.
51. Non-profit organizations
1. ASID
2. SHRM
3. American Management Assoc. (AMA)
4. Human Capital Institute
5. NYC Leadership Academy
6. SPI
7. IQPC/Corporate University
8. National Management Assoc. (NMA)
9. Greenleaf Center
10. Conference Board
11. Berkina Institute
12. Leader to Leadership Institute
13. CAEL
14. Phillips Unauthorized
15. Trinity Health
17. Healthcare Businesswomen Assoc.
18. Addison Avenue Fed. Credit Union
19. Rush University Medical Center
20. Best Practices in Leadership Development

Government/military
1. Defense Acquisition University
2. U.S. Marine Academy
4. U.S. Army/Westpoint
5. FBI Academy
6. U.S. Navy Naval Academy
7. NASA/Leadership Alchemy
8. U.S. Army Rangers
9. ASG Balfinse Award
10. U.S. Coast Guard
11. FAA
12. U.S. National Guard
14. U.S. Tactical/Seals
15. Naval Undersea Warfare Center

Consultants/trainers/coaches
1. Korn/Ferry International
2. Harvard Goldsmith Partners
3. Zenger/Folkman
4. Jim Collins
5. Bluepoint Leadership
6. Ninth House
7. Human Performance Institute
8. LEADERS TOOLBOX
9. Marcus Buckingham Company
10. Toms Company
11. Guttman Dev. Strategies
12. Strategic Edge
13. Maccormack
14. Josh Benic & Associates
15. Armes Leadership Consulting
16. Liminal Group
17. Benchmark Communications
18. Table Group
19. Chip Bell Group
20. Lebo Company
21. Leadership Challenge/XP
22. Authentic Leadership Institute
23. Leadership Development Services
24. LeadSQA
25. Sensei International
26. Right Management
27. Michael G. Winston Leadership
28. Mariposa Leadership
29. The Level Group
30. Perch Leadership Institute
31. Refinery Leadership Partners
32. Future Considerations

Large consulting groups
1. Linkage/GILD
2. Results-Based Leadership
3. Achieve Global
4. Center for Creative Leadership
5. Semi-Delany Leadership
6. McKinsey/Leadership
7. Doman Consulting
8. DDI
9. Accenture
10. Lee Hecht Harrison
11. Adairs Institute
12. Richard Chang Associates
13. Dialogos
14. Boczu Allen Hamilton
15. Hewitt/Leadership
16. Plante & Moran
17. BlessingWhite
18. Vital Smarts
19. Franklin-Covey
20. Ken Blanchard Companies
21. Integro Leadership Institute
22. Forum Leadership Development
23. Personal Decisions Intl. (PDI)
24. Human Potential Project
25. Crowe Horwath 26. Leadengrow
26. Kepner-Tregoe

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Full view of table of contents art.

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Make Tough Choices

The leader’s role demands action.

by Carly Fiorina

At age 23, I was a law school dropout. Through the years, many people took a chance on me and gave me opportunities to realize my potential. Some 22 years later, Fortune named me “The Most Powerful Woman in Business,” and I was recruited to be CEO of Hewlett-Packard—the first female CEO of a Fortune 20 company with a mandate to shake things up.

I drove the transformation of legendary but deeply troubled HP, in the face of opposition. I was an outsider in every way imaginable: the first CEO not promoted from within; a woman leader in a male-dominated culture; a marketing expert in a company that worshipped engineers; an easterner surrounded by Silicon Valley lifers.

Time had stood still for some people at HP; they did not know how to move forward without their founders. They were afraid that changing anything might mean destroying everything.

The fight over the Compaq merger was a made-for-television drama, but today I think less about the fierce battles and more about the progress we achieved, working with a great deal of help from dedicated and hard-working employees. HP revenue doubled from $44 billion to $88 billion; and the company not only survived the worst technology recession in 25 years, it emerged as a far more innovative and customer-focused company.

I learned a great deal from these experiences, and some of the lessons were very personal. When people have stereotypes of what you can’t do, show them what you can do. When they have stereotypes of what you won’t do, show them what you will do. Every time you resist someone else’s smaller notion of who you really are, you test your courage and your endurance. Each time you endure, and stay true to yourself, you become stronger and better.

In the end, business isn’t just about numbers—it is about people, about making the tough choices. I led HP through the reinvention of the company, steering it through the dot-com bust, and the controversial merger with Compaq Computer, now acknowledged to be the most successful merger in high-tech history.

New Era of Leadership

We need a new era of leadership, one in which leaders redefine profit engines to raise the capabilities, extend the hopes, and extinguish despair of people across the globe.

Americans are justifiably outraged over excessive CEO pay and perks, particularly when taxpayers are foot- ing the bill. Our capitalist system works best when there is transparency and accountability.

Proposed solutions that attempt to respond to taxpayer anger and restore “common sense” to CEO compensa-

tion offer executive pay caps for institutions that receive bailout money.

I don’t think this is the answer. It’s arbitrary and incomplete. It applies only to institutions that receive more government assistance. And it weakens our economy when government decides how much each job is worth.

So, what’s the answer? To strengthen transparency, all aspects of CEO pay and perks should be fully disclosed regularly—including airplanes, cars, club memberships, bonuses, stock options, retirement plans, and salaries—all that a common sense person would consider part of a CEO reward package. And to strengthen accountability, all aspects of CEO compensation should be voted on by shareholders annually.

Ultimately, owners of companies must determine whether a CEO’s rewards are justified by performance. And because taxpayers are now partial owner in many companies, the government can get a sizable vote as well.

In addition, clawback provisions that require a CEO to return compensation to shareholders if promised results are not delivered, should be standard fare. When leaders seek taxpayer money, it is an admission that mistakes have been made and major bets have failed. These CEOs should be prepared to tender their resignations and those of their boards. To earn a bailout, a CEO and board should be held accountable.

We should not weaken our economy while trying to fix it. These are difficult times. In such times, action is required. The key is to take actions that help in the short-term, while also being sensible for the medium and long-term. Too often our politicians react to crisis and public anger by over-reaching, and they create new, unforeseen problems that only become clear with the passage of time. The opportunity to be rewarded for taking prudent risk is fundamental to our economic vitality and strength. Let’s not lose that principle in our outrage over Wall Street greed and excess.

Restore Credibility

Leaders must use these tough times to restore credibility. We must step up to new levels of transparency and accountability and recalibrate our role.

Today almost any job can be performed almost anywhere. We can create, seemingly overnight, a global market of complex financial instruments like credit default swaps worth trillions of dollars, and then wake up and realize that this market is opaque to regulators and incomprehensible to shareholders and taxpayers. This is a world of tremendous individual power and almost limitless possibilities.

In the past decade, we have witnessed three business-led disasters: the dot-com bust, the collapse of Enron, and the current financial crisis. In all three events, jobs were lost, companies destroyed, hard-earned savings and investments decimated, and the credibility of leadership gravely damaged. All three had common causes.

• The dot-com bubble occurred because people suspended good judgment and decided that technology stock prices could go up forever and a company was worth hundreds of times forward earnings. As long as everyone made money, everyone played along.

• The fraud at Enron (and WorldCom and Adelphia) occurred because management teams decided that quarterly earnings and a rising stock price trumped ethics. Despite doubts, many
accountants, bankers, lawyers and credit-rating agencies played along. Inevitably, the house of cards collapsed.

• Smart people bet too much money on the assumption that housing prices would keep on rising. If concerns existed about the unprecedented complexity of new, technology-driven financial instruments and risk-modeling tools, they were pushed aside in the pursuit of wealth.

Today, common sense, good judgment and ethics matter more than ever. People expect their leaders to have sufficient wisdom and perspective to buck the crowd and defy conventional wisdom when necessary, even if it isn’t popular. Quarterly earnings and share price can’t be the singular purpose of business or metric of success for CEOs. A CEO’s job is to balance the competing requirements of all constituencies.

Leaders need to rebuild confidence and restore credibility. To strengthen accountability, boards should put all aspects of CEO pay up for shareholder vote annually. Pay should be based on a balanced scorecard that reflects customer satisfaction, investment in employees, and achieving financial goals.

Every board seat should be voted on annually and board membership should be regularly refreshed to ensure that tough questions are asked. When CEOs go to Washington and ask for taxpayer money, they should also be prepared to submit their resignations and those of their boards. To earn a bailout, a CEO and board should be held accountable for their decisions—or the actions they’ve failed to take.

To strengthen transparency, leaders should report important strategic issues and operational considerations in addition to quarterly earnings projections and annual profit targets. Risks and assumptions should be spelled out, not buried in fine print.

Leaders must step forward and be part of the solution by volunteering greater disclosure and accepting responsibilities. Otherwise, we will be treated as the source of the problem.

If we are to emerge stronger, leaders must restore their credibility and regain people’s trust by embracing accountability and transparency. At no time in history have we been so unconstrained by our array of capabilities or so challenged by our worst excesses. Never have common sense, good judgment, and ethics mattered more.


ACTION: Take action to restore trust.

Influence Decisions

The decision-maker is customer.

by Marshall Goldsmith and Frank Wagner

HOW OFTEN HAVE YOU COMPLAINED about a decision-maker who won’t listen, or is completely off base? Although you may ascribe the problem to the decision-maker, your inability to effectively influence the person may be the real cause. You likely view the decision-maker as someone you need to facilitate in order to make the right decision as you define it, the decision you would make if you had the power. From this bias, you make yourself the customer in interchanges with decision-makers.

Our suggestion: Make the decision-maker the customer! By adopting this view, you become a more effective influencer.

For example, suppose that your manager has to decide on resource distribution for 2010 when the need is likely to be twice the available resources. Once your manager makes the decision, you will be either happy or unhappy with the results.

How should you approach this situation? Here are three tips:

1. **See that the decision is made by the person who has the power to make that decision—not the “right” person, “best” person, or the person whom you would prefer.** Your manager is not there to satisfy your needs. This isn’t to say that she is immune to influence, or that you should not do your best to influence—just know the decision falls in her lap.

2. **Know that it is not your manager’s job to buy from you; it is your job to sell to your manager.** Keep your manager’s needs top of mind. Know what priorities, challenges, or dilemmas he or she is facing with the decision. Focus on contributing to the larger good—not just achieving your objectives. Provide useful information, expertise, and sales support for your manager’s decision.

3. **Stay supportive of the decision maker—no matter what the outcome.** In most cases, your manager is trying to look out for you and other direct reports. If you do your best to influence the decision-maker and the decision goes the other way, act supportive. Don’t complain, sulk, or make snide remarks about the decision or its maker. Learn more about what led to the decision. When you act supportive, especially when you didn’t win, you gain influence over the next decision.

Influencing Behavior

To influence up, we encourage you first to **let go of the past.** When you bring up the past, you demoralize people who are trying to change. So, focus on the future. **Be helpful and supportive—not cynical, sarcastic or judgmental.** When people feel punished for trying to improve, they quit trying. Give them a fair chance, and they’ll be motivated to improve. **Pick something to improve yourself and ask for suggestions.**

You can help leaders achieve positive change in behavior in three ways:

1. **Agree on one desired behavior to change**—one that will make the biggest positive change in leadership effectiveness. **Pick only one or two areas.** Leaders can’t be expected to change behavior if they don’t know what desired behavior looks like.

2. **Determine who should weigh in** (six months later) on whether change has occurred. By agreeing on the desired behaviors and key stakeholders, you ensure buy-in to the process.

3. Make “feedforward” suggestions on how to improve targeted areas. Keep conversation positive, simple, and focused. If you’ve made mistakes, apologize and ask for help in changing the future. **Listen** to suggestions; don’t judge them.

4. **Help them develop an action plan** of what they want to do and encourage them to live up to their commitments. Be a facilitator, not a judge. Help them do what they know is the right thing to do.

5. **Collect 360 feedback on progress.** Ask, “Based on my behavior last month, what ideas do you have for me next month?” Keep focused on the future.

6. **Review results and start again.** Build on any success by repeating the process for the next six months to ensure continued progress on goals.

This coaching process is valuable for all leaders and high-potentials. LE

Marshall Goldsmith helps leaders achieve positive, measurable change in behavior, and author of Succession and What Got You Here Won’t Get You There. MarshallGoldsmithLibrary.com


ACTION: Have greater influence on decisions.
Seat at the Table
Or are you on the menu!

by David Nour

When you’re a candidate for a promotion that goes to a peer, you may wonder, “Why was he or she promoted to manage or lead, not me? Why, when I am the one who is more consistently and recently invited to spend time with the boss, is she the one receiving the promotion?”

Ask yourself these 10 questions:
1. Have I performed under pressure?
2. Have I completed an initiative that shows my core strengths/capabilities?
3. Have I consistently supported my colleagues by taking a genuine interest in their key initiatives, and helping them to achieve quantifiable results?
4. Are my communications skills, written and oral, very proficient?
5. Do I confront others with respect, and solve problems with decisiveness?
6. Have I achieved a high degree of influence and proactively engaged others in getting things done?
7. Have I supported my superiors by taking on difficult projects and offering value-based council?
8. Have I defined my long-term goals and objectives and created a road map of how my current and future activities will help me obtain my goals?
9. Have I completed prioritized assignments for others before completing my own? Have I put other people’s projects ahead of my own?
10. Do I have a strong personal brand or presence and upmost competence?

Call to Action

If you answered no to any of these questions, you may be prohibiting a potential promotion. You either move up or move out, so take steps to move up in your position or into another firm.

To get off the menu and invited to the table, take these five steps:

1. Get an independent assessment of where you are today by taking a behavioral or emotional survey (Myers-Briggs, DiSC, Hogan, Birkman, HBDI).
2. Engage three mentors: One within the organization, one within the industry and one outside of both—all with unique and candid insights on your core strengths and weaknesses.
3. Study or profile the leaders or executives you wish to model, and identify the gaps of your current abilities and where you’d like to be.
4. Invest time and resources with a career coach to help you identify your strengths and weaknesses.
5. Read Relationship Economics and apply the Relationship Currency Roadmap. How are you staying off of the menu?

A Case in Point

I recently met with a colleague—call him Bob—and observed that Bob had become fat, dumb, and happy by choice! Bob came up with an interesting idea in the mid 80s and started consulting with global companies. For two decades, Bob milked every possible angle on this simple (and at its height, unique and powerful) idea. But Bob had become complacent. His ideas are no longer relevant. When I asked about his business, he replied, “It has flat-lined” and offered excuses.

I noticed that Bob’s jacket was tight, and that he was wearing his belt under his waist. He is 50 pounds overweight and badly out of shape; he breathed heavily as we walked. Clearly, he had lost his edge, both in physical appearance and in content. He’d also lost much of his self-esteem and confidence. He now worked with obscure organizations at a fraction of his old fee.

When I offered suggestions, he was polite enough to jot them down, but I could clearly see his newly developed (and refined) low tolerance for risk.

But this article isn’t about Bob—it’s about doing three things to stay relevant, sharp, and on the edge of success!

It’s been said adversity reveals genius; prosperity conceals it. Now’s the time to reinvent your business model, revenue model, or portfolio of key relationships.

Three Best Practices

Aim to adopt three best practices:
1. Get and stay in shape! Physically and mentally. Consistent exercise increases oxygen flow to your heart and brain. When you get adequate sleep and are well rested, you function more effectively. When you eat healthier, you feel better. When you exercise your brain, you reestablish synapses that help you think more clearly and remember information more readily. You are never “too busy” to exercise. Make time for your priorities!

2. Constantly innovate. I share my content freely online because I keep generating fresh content. What better way to research, re-build, and innovate ideas than to share them with people. In my Adaptive Innovation keynote, I illustrate the “S” curve of innovation. This shows that before the height of your current idea, you’re ideally working on the next evolution (if not revolution) of what’s next. That’s why I love to read, write, and present to diverse groups. As I research each one, I’m humbled by what I learn—and I find ways to do things differently (true innovation) vs. better (incrementalism).

3. Become a life-long learner! How do you grow personally and professionally? What do you read to think differently about topics you find of interest? How do you try out new ideas? If you’re not failing, you’re not trying! Every failure brings valuable lessons—in how you evaluate a situation, how you react to it, and whether or not you achieve the results you desire. Seek new experiences that raise the bar on your professional growth.

Three Questions

I have three simple questions of you:
1. What has to happen for you to commit to staying in physical and mental shape? No one can light a fire under you; you have to light a fire within you!
2. What are three areas of your thinking or living you can do differently and innovate in the process to create a movement of ideas, actions, or purpose?
3. How can you raise the bar on your personal and professional growth? In 20 years, will you be relevant if you ignore social networking trends that are reshaping business relationships?

Combine passion with the ability to excite or disturb others—get them to think differently about current conditions, and your business will prosper!


ACTION: Develop yourself as a thought leader.
**Leader as Conductor**

*Make a persuasive case for your vision and connection.*

_by Roger Nierenberg_

Most executives are fascinated by the art of conducting. On posters, conductors are captured in moments of great passion and intensity, while musicians appear riveted on their slightest movement. And on the podium, a conductor seems to embody charisma and power, capable of shaping the orchestra around his will.

Many executives covet that romantic dream. They wonder what hypnotic power is hidden inside the baton and how anyone projects such magnetism.

That’s the fantasy. The reality of conducting an orchestra is different. Yes, great conductors do achieve amazing concentration and a superbly blended sound from their orchestras. Under the direction of a true maestro, even the players can be amazed by the beauty and artistry of what they achieve. But it is a far more cooperative process, requiring more persuasion, influence, and tact from the conductor than coercion.

After all, unlike the musicians, the conductor can’t make a sound. His musical voice is in other people’s hands, and his success is determined by their results. Will the players respect his work enough to contribute their best efforts—or will they give just enough to get by? Professional musicians, like all great achievers, perfect their impressive skill through a lifetime of self-criticism. And they will judge the conductor by the same high standards they apply to themselves. His force of personality, charisma, charm or humor will not shield him from their critical demands.

So what do orchestras want, and need from their conductors? I’ve come up with three leadership maxims:

1. **Make a persuasive case for your vision.** Musicians are busy playing the notes, just as workers are absorbed in carrying out transactions and operations. Such work is important, and executing it accurately and on time is vital. But it can lose its freshness and meaning unless it’s linked to a larger goal or vision.

   It’s difficult for even great artists to provide their own motivating vision because they occupy just one chair, and it’s not easy to influence the entire group from there. Also, they don’t want to alienate their colleagues by overstepping their authority. The conductor is the only one in a position to make the strategic decisions that aim the group towards its goals and give meaning to the countless actions required to attain them. And it is right that he should be.

   After all, orchestra musicians and other workers are deeply engaged in what is, and are not in a good position to contemplate what could be. But the conductor stands on a podium with a panoramic view. Since he isn’t charged with playing the notes, he has mental space for looking beyond right now so that he can shape the future. He must use the elevation of his office to identify and define big opportunities and decide which ones to go for. A vision, persuasively presented by a committed leader, will draw the musicians’ attention like iron filings to a magnet. Crafting such a vision and communicating it with crystal clarity is the work of the conductor.

2. **Stay present and connected.** A conductor is simultaneously engaged in taking input and sending output. The input process connects to the orchestra’s sound through sensitive hearing that can decipher its details. Just as leaders pore over performance metrics, conductors take an inventory of what’s happening in the moment—it requires an experienced ear. But a conductor gains influence by the way he uses what he hears. The orchestra needs to see that he is affected by their sound.

   That amazing baton gets half of its magic by the way it adapts to the particulars of the orchestra’s sound. The conductor makes the baton adjust in real time to what he hears. If the sound is louder than the conductor had envisioned, the baton will seem to become lighter and less active. If more depth of sound is desired, the baton will seem to push its way through thick air. The musicians see that these movements are in direct response to their playing. They feel a palpable connection, making them more eager to realize the vision.

   The other half of the baton’s magic comes from the conductor’s output. Since he has a strategic approach to the music, he has a clear sense of where it is going. Guided by this image, the baton invites the orchestra into the next sound. Now the musicians are seeing not the reflection of their own playing, but the image of what they could sound like next. It is as if the baton creates a vacuum that the orchestra naturally wants to fill with its playing. There is no need to coerce—nature abhors a vacuum. The key to the input and output process is the conductor’s aural and visual connection with the players.

3. **Take responsibility for how your people connect with each other.** Most workers have an in-box (work to be processed) and out-box (where completed work goes). This is also true of musicians. The in-box is the sheet music that details the notes to be played. As soon as a note has sounded, it’s instantly sent to the out-box, the acoustical environment where this sound is mixed with others and eventually reaches the audience. Obviously, playing the notes correctly is the musician’s first priority. But he may mindlessly zero in on the task, numbing his awareness of what other players are doing.

   Every orchestra has moments when they play primarily by eye, obeying written instructions. An alert conductor will hear when musicians absent-mindedly stop listening, and give them a fresh focus. The key to good playing is the orchestra’s active, engaged listening. If the conductor finds that they are not collaborating well, he’ll raise their awareness of the logic and beauty of the whole picture. This makes the orchestra sound better—and makes the work more rewarding for all musicians. A conductor who insists that teamwork and collaboration deserve the same care and attention as accurately reading what’s on the page will awaken energy in the entire group.

   This is why orchestras respond with such alertness to great a conductor. They are fed by his energy, and he calls forth the group’s own vitality by taking responsibility for how they collaborate.


**ACTION:** Become an able conductor.
**Lead and Manage**

*Using the Balanced Scorecard.*

by Robert S. Kaplan

The role of leaders can be traced to the Bible, to Machiavelli in *The Prince*, and to Sigmund Freud, who said, “Groups depend on a leader for their identity and sense of purpose.”

Management scholars—Abraham Zaleznik, Warren Bennis, John Kotter, Ron Heifetz—have urged executives to be leaders, not just managers. They emphasize how leaders have different roles and styles: Leaders foster new approaches and ideas, alter structures, and cope with change; managers conserve and maintain stability and order and cope with complexity. Leaders shape moods and ideas and establish direction; managers react to goals.

Leaders welcome new options, develop choices, and create new approaches to long-standing problems; choose which decisions get made and how to communicate vision and strategy. Managers, in contrast, keep choices and options down to controllable levels; focus on how decisions get made and communicated.

Leaders influence others to voluntarily make day-to-day decisions that enhance the long-term viability; they maintain control through socialization, shared beliefs, norms, values, and intrinsic motivation. Managers conduct day-to-day operations: negotiate; rely on extrinsic motivation; organize responsibility by functional areas; conserve assets. Leaders conduct turbulent, intense, future-oriented interactions that involve risk-taking and creativity. Managers interact with people through prescribed roles and hierarchy.

Today, however, organizations need executives who can lead and manage. Executives must lead by adapting to dynamic, highly competitive environments, communicating vision and strategy to employees, and inspiring employees to innovate to achieve organizational objectives. At the same time, executives must manage by effectively operating a complex system of interactions to deliver synergies, allocate resources effectively, align reward and incentive systems, and install valid reporting and control systems.

Senior executives in organizations that have successfully implemented the Balanced Scorecard achieved success by integrating the roles of leadership and management. We now realize that the success of the Balanced Scorecard lies in its ability to provide a formal, systematic approach for simultaneous leadership and management.

**Five Principles**

The Strategy-Focused Organization (SFO) framework describes five principles for achieving breakthrough performance with the Balanced Scorecard.

1. **Translate strategy into operational terms.** Leadership and management themes are central in creating a strategy map and Balanced Scorecard (BSC). Leaders use the BSC to communicate the strategy. Typically, the environment is changing, and the company must adopt a new strategy to succeed.

2. **Align organization to strategy.** Cascading the strategy down to decentralized divisions, business units, and support functions, seems to be primarily a management function. It’s the task of translating a high-level strategy into aligned and integrated strategies at lower-level units. The alignment and cascading, however, allows for leadership to occur much deeper. Rather than dictating the company-level measures down to the operating units, the cascading process encourages each operating unit to define its own strategy—based on local market conditions, competition, operating technologies, and resources—to deliver on strategic goals.

3. **Make strategy everyone’s job.** In this principle, these processes must be accomplished: 1) communicate; 2) align personal objectives; and 3) link variable pay to scorecard performance.

Communication is clearly a leadership role. Executives use the strategy map and scorecard to communicate the vision, mission, and strategy. Some executives tell us, “You can not over-communicate; you need to find multiple ways to get the message out. You need to communicate seven times, seven different ways.” Effective, visionary communication helps leaders align and motivate their people. With a clear vision and strategy, everybody learns what the organization is trying to accomplish and how they can contribute. This generates intrinsic motivation. Employees come to work with more energy, creativity, and initiative.

Setting personal goals and rewarding individuals for achieving them falls within the management responsibility. The flow naturally occurs from leadership to management. The SFO process enables executives to achieve a seamless integration of their leadership and management roles and align every individual to higher objectives.

4. **Make strategy a continual process.** This requires executives to: 1) integrate strategy with planning and budgeting; 2) introduce new reporting systems;
and 3) lead a new meeting.
• In the new integrated planning and budgeting process, the executive team—through shareholder, customer, and competitive analysis—sets stretch performance targets for the strategic measures, screens strategic initiatives for achieving stretch target performance, and links its strategy to operational improvement programs. These practices help executives deliver on their management responsibilities.
• Introducing new information systems for data collection and data reporting also is a central part of managing and implementing new strategies.
• Leading a new management meeting means reviewing performance against plan (scorecard measures, not just financial ones); identifying shortfalls (the indicators in the RED zone); and devising solutions to rectify shortfalls. The new leadership processes in the management meeting are the questioning about the strategy, the search for inter-departmental solutions to fundamental problems, and adaptation and evolution of the strategy.

The most effective management meetings use double-loop learning in which executives examine and question assumptions on which their beliefs and strategy are based.

5. Mobilize change through executive leadership. Executive leaders play three different roles: 1) Mobilization: they communicate the need for change and create the coalition at the top to develop and deploy the strategy via strategy maps and Balanced Scorecards; 2) Governance: they establish the new systems for planning, budgeting, resource allocation, reporting, and the management meeting to reinforce the strategic message and keep the organization focused with adequate resources to achieve strategic objectives; and 3) Strategic Management: the executive reinforces the strategic message at every opportunity, asking “why, what-if, suppose that . . .” to emphasize learning and team problem-solving.

All aspects of leadership and management become incorporated as organizations apply the five principles. Those that implement their strategies have exceptional, visionary leadership. The CEO leads the case for change, communicates the vision and strategy, and oversees implementation. Without strong leaders, no management system can deliver breakthrough performance. LE

**LEADERSHIP • BRAND**

**Know Who You Are Then build a values-driven brand.**

by Howard Schultz

When Starbucks opened nearly 40 years ago, its success was anything but assured. It was just a single shop in Seattle’s Pike Place Market that offered fresh-roasted specialty coffees from around the world when most Americans got their coffee from a can.

A new chapter began in 1983, a year after I joined the company. That’s when I traveled to Milan and discovered the tradition of Italian espresso bars and the romance of the coffee experience. Soon Starbucks transcended a coffee retailer and became a coffeehouse—a third place between work and home. A place for connection, conversation, community.

In those early days we created two programs that are woven into the fabric of Starbucks culture: we offered comprehensive health coverage for eligible part-time workers, and employee equity in the company in the form of stock options, called Bean Stock, turning employees into partners.

From this foundation, Starbucks became one of the most recognized and respected brands worldwide. Since we became a public company in 1992, we’ve gone from 119 stores to 15,000 stores in 50 countries, with 50 million customer visits a week.

The current chapter of the Starbucks story is just as defining. Since I returned as CEO in January 2008, we have faced challenging economic times. But within this crucible, we have rediscovered who we are, and formed a new company.

Our transformational efforts have focused on: being true to who we are, using our core values as our lens; nurturing the connection we have with our customers; and being bold and innovative, even in uncertain times.

1. **Building from a foundation of values.** What we stand for is more important than ever. Customers are more thoughtful about where they spend their dollars. We feel now is the time to invest in ways that create a better future.

2. **Reinvigorating the customer experience.** Our customer is at the center of the Starbucks Experience. We built the equity of our brand through the relationship our people have with our customers. By refocusing on the Starbucks Experience, we’ll create meaningful differentiation and separation between us and others who are selling coffee.

We’ve worked to reignite our emotional attachment with our customers by refocusing on the customer experience and by restoring the connection that our customers have with our partners, our coffee, our brand, and our stores.

We’ve also focused on operational excellence: aligning Starbucks organization to better support customer-focused initiatives and ensure that our support and planning functions—from back-end IT systems to store operations—are dedicated to the customer experience. This helps us make smarter decisions about new products and initiatives and bring them to market fast.

3. **Protecting and reinventing the brand.** We know that iconic brands can only prevail if they remain fresh, relevant, interesting, and nimble. So, even as we focus on our core, we look for opportunities to innovate. One example is our recent launch of Starbucks VIA™, our ready-brew coffee. Some questioned the wisdom of entering the instant coffee market, but we felt that it was true and authentic to who we are, as VIA™ maintains the high standards of quality and taste of fresh-brewed Starbucks® coffee but offers customers a unique and convenient way to enjoy it.

We’ll continue to highlight our heritage in innovative ways. Our partners have embraced the challenge of delivering an exceptional customer experience. We’ve made progress in partner friendliness, taste of beverage, speed of service, and customer satisfaction.

One thing will never change—our commitment to inspiring and nurturing the human spirit, one person, one cup, and one neighborhood at a time.

These are still the early days in the story of Starbucks—and I believe our best days are still ahead.


**ACTION:** Build on a foundation of values.


**ACTION:** Use the BSC to both lead and manage.


ACTION: Build on a foundation of values.

**ACTION:** Use the BSC to both lead and manage.
Primal Leadership
Prime good feelings in followers.

by Daniel Goleman, Richard E. Boyatzis, and Annie McKee

Effective leaders prime good feelings in those they lead. They create emotional resonance—a reservoir of positivity that frees the best in people. This primal dimension of leadership, though often invisible or ignored, determines whether everything else a leader says and does will work well. This is why emotional intelligence—being intelligent about emotions—matters so much for leadership success: Primal leadership demands we bring emotional intelligence to bear. Emotionally intelligent leadership drives resonance—and thus performance.

Breakthroughs in brain research show why leaders’ moods and actions have enormous impact on those they lead, and shed fresh light on the power of emotionally intelligent leadership to inspire, arouse passion and enthusiasm, and keep people motivated and committed. Conversely, toxic leadership can poison the emotional climate of a workplace.

What emotional resources do leaders need to thrive amid chaos and change? What gives a leader the inner strength to be honest about even painful truths? What enables a leader to inspire others to do their best work and stay loyal? How do leaders nurture an emotional climate that fosters creative innovations, all-out performance, or warm and lasting customer relationships?

For too long managers have seen emotions as noise that clutters rational operations. Today, leaders need to generate the emotional resonance that lets people flourish.

In a crisis, all eyes turn to leaders for emotional guidance. Because the leader’s way of seeing things has special weight, leaders manage meaning for a group, offering a way to interpret or make sense of, and so react emotionally to, a given situation. One emotional task of leaders is to help people find meaning and sense—even in the face of chaos and madness—and to express the shared emotional reality so that the direction resonates at the gut level, putting into words what everyone is feeling in their hearts.

What would our lives look like if our organizations were naturally places of resonance, with leaders who inspired us—if these concepts of resonant leadership were founded principles? Hiring, promotion, and development would then focus on recruiting those with the EI skills for leadership. Ongoing learning would be part of everyday operations, and the entire organization would be a place where people flourished by working together.

Great leaders move us. They ignite our passion and inspire the best in us. When we try to explain why they are so effective, we speak of strategy, vision, or powerful ideas. But the reality is more primal: Great leadership works through the emotions.

No matter what leaders set out to do—creating strategy or mobilizing teams to action—their success depends on how they do it. Even if they get everything else right, if leaders fail in this primal task of driving emotions in the right direction, nothing they do will work as well as it could or should.

The difference between ineffective and effective leaders lay in the mood and tone with which they deliver their messages: One may drive the group toward antagonism and hostility, the other toward optimism, even inspiration, in the face of difficulty.

While most people recognize that a leader’s mood—and how he or she impacts the mood of others—is important, emotions are often seen as too personal or unquantifiable to talk about. The best leaders find effective ways to understand and improve the way they handle their own and other people’s emotions. Understanding the powerful role of emotions sets the best leaders apart from the rest—not just in tangibles, such as better business results and the retention of talent, but also in intangibles, such as higher morale, motivation, and commitment.

The Primal Dimension

This emotional task of the leader is primal in two senses: It is both the original and the most important act of leadership. Leaders have always played a primordial emotional role. Most leaders earn their place largely because their leadership is emotionally compelling. The leader is the one to whom others look for assurance and clarity when facing uncertainty or threat, or when there’s a job to be done. The leader acts as the group’s emotional guide.

Today this primordial task remains foremost among the jobs of leadership: driving the collective emotions in a positive direction and clearing the smog created by toxic emotions.

In any group, the leader has maximal power to sway everyone’s emotions. If people’s emotions are pushed toward the range of enthusiasm, performance can soar; if people are driven toward rancor and anxiety, they’re thrown off stride. The effects of primal leadership extend beyond ensuring that a job is well done. Followers also look to a leader for supportive emotional connection—for empathy. When leaders drive emotions positively, they bring out everyone’s best. We call this effect resonance. When they drive emotions negatively, leaders spawn dissonance, undermining the emotional foundations that let people shine. Whether an organization withers or flourishes depends to a remarkable extent on the leaders’ effectiveness in this primal emotional dimension.

The key to making primal leadership work to everyone’s advantage lies in the leadership competencies of emotional intelligence: how leaders handle themselves and their relationships. Leaders who maximize the benefits of primal leadership drive the emotions of those they lead in the right direction.

Careful observations of groups in action reveals several ways the leader plays a pivotal role in determining the shared emotions. Leaders typically talk more than anyone else, and what they say is listened to more carefully. Leaders are also usually the first to speak out on a subject, and when others make comments, their remarks often refer to what the leader has said. Because the leader’s way of seeing things has special weight, leaders “manage meaning” for a group, offering a way to interpret, and so react emotionally to, a given situation.

Even when leaders are not talking, they are watched more carefully than anyone else in the group. When people raise a question for the group, they...
Experiential Learning

Make it the core of the LD program.

by Kim Lamoureux

L EADERS PARTICIPATE IN many training activities—workshops, online courses, assessments, coaching—to prepare for real-world challenges.

Mastery, however, demands experience; hence, companies have to facilitate and accelerate a person’s ability to gain experience. Organizations that offer experiential learning (EL) enable leaders to master something by applying learning and receiving feedback.

Try three types of EL events for LD:

1. Simulation. Simulations help leaders see how various functions are interrelated and contribute to success. With little risk, leaders can experiment with different decision scenarios in various areas of the business. At Sun Microsystems, the Leadership Connections program includes a custom-designed, five-day simulation in which four VPs each facilitate and coach a team of six directors. VPs arrive early to rehearse their roles and practice coaching. Teams are challenged to run a simulated version of Sun’s business as CEOs over a three-year period. At the end of each day, teams receive feedback on their results and are ranked among each other. Teams then present key learning and recommended solutions to leaders.

During the simulation, consultants facilitate Leader Lab feedback sessions designed to reinforce Sun leadership competencies and values. These labs enable VPs and directors to share learning goals and desired leadership behaviors—and receive feedback and explore team dynamics in real-time. Each VP also helps directors link their simulation learning to their real worlds.

2. Job rotation. Job rotation involves moving a leader through a series of jobs designed to broaden knowledge of operations and prepare for advancement.

The executive council-sponsored director-level rotation program at HP enables participants to take on a new job in a different business, function or geography, which helps to ready high potentials for their next roles. Positions are identified for a two-year rotation. High potentials are nominated and selected to participate. Participants are assigned an executive-level sponsor and an external executive coach, who takes them through a two-hour behavioral interview and the creation of a development and coaching plan. The hiring manager assigns a mentor to help participants get up to speed as quickly as possible and support the leader throughout the rotation. The depth and breadth of exposure to different businesses helps leaders glean fundamental and universal principles that build their philosophies about business leadership.

3. Action learning. Action learning is a dynamic approach that utilizes teams of four to six people for solving business problems. Leaders are evaluated on how they perform under pressure to make decisions, define recommendations and deliver solutions; the team is assessed on how well they function collectively and achieve goals.

Through its Center for Collaborative Leadership and executive engagement, Cisco Systems has a progressive LD approach, referred to as the Executive Action Learning Forum (E-ALF). This 16-week program includes academic study, role play, and the development of a product or business idea, enabling participants to experience a true leadership experience while executing strategy. Participants attend a five-day offsite, where six teams of 10 people each are formed. The teams include a subject matter expert, executive coach, and senior executive. Team members meet as a group and as individuals with their coach, who remains with them throughout the process. The teams are assigned to their project and then disperse to their business units, but continue to work virtually on developing their idea. Sub-teams work on certain elements. During the second half, the team refines their proposals, meets with stakeholders, and gathers feedback. At the end, participants give a final presentation.

EL is a key element in LD strategy and program design. EL enables leaders to apply learning and receive feedback in real-time, and enables companies to observe the capabilities of leaders.

ACTION: Prime good feelings in your followers.


ACTION: Design EL into your LD.

**Future Leaders**

*Identify and develop them.*

by James F. Bolt and Bonnie Hagemann

**Most leaders are acutely aware** of the growing shortage of leadership talent and the constraints it places on their ability to achieve their strategic objectives and key goals, such as customer service and growth.

The reality of the talent shortage will soon hit home. The McKinsey Trends Quarterly reports: “Most CEOs are boomers, and an impending leadership crisis is coming. As many as half of senior managers are leaving in the next five years.” Global crises only highlight the need for leadership.

We decided to tap into the experience and wisdom of role-model line leaders (not just HR folks) to learn what they do to identify leadership potential, develop that talent, and spot and prevent trouble as they develop.

HR executives provided access to line leaders who were recognized as the best at managing talent. We interviewed 47 of these stars from 30 organizations to learn their practices and provide the *inside story* on how they identify and develop future leaders.

**Identifying Future Leadership Talent**

We asked these people to address what factors they consider when they identify leadership talent—and what they look for when predicting the future success of leadership talent.

Five factors rated highest—we list them in order of response frequency:

1. **Strong track record of performance.** Proven results; success in past/current roles—both how they perform individually and compared to their peers.
2. **Strong interpersonal skills.** Excel in the soft people skills, including “How do they work with people to get the work done and achieve results?”
3. **Strong communication skills.** Excellent verbal and written communication and “Clear, concise communication at all levels” are emphasized repeatedly.
4. **Shows drive/initiative/ ambition** to increase responsibility, move-up or around, and accepts new challenges. Described as “hungry” individuals who are “self-driven” and “always thinking of a better mousetrap.”
5. **Creates and articulates a company vision and strategy.** Sets direction. Executes on objectives. Understands the total business. Has a vision, shares the vision, executes it, and gets others to buy into it.”

Of course, identifying high-potential leaders is just the starting point.

**Developing Future Leaders**

Once future leaders are identified, role-model line leaders do five things to accelerate development:

1. **Exposure** to peers, executives, board members, decision makers, different levels, the broader/global business. High-potentials need exposure to “senior executives,” “uncomfortable experiences,” “customers,” “external resources,” “internal resources and assignments,” to grow and develop.
2. **Increased responsibilities.** Both cross-functional and vertical responsibility increases were seen to have great impact on growth and development. “Throw high-potentials into the frying pan, and give them a chance to shine.”
3. **Special assignments/projects (including stretch assignments).** “We give project leadership roles in change, management, and financial analysis to stretch employees. Hi-pos must demonstrate skills that they don’t use in current jobs to prepare for the next level.”
4. **Job rotation.** Rotation helps high-potentials to “learn key positions” so that they can gain a better understanding of how the total business works.
5. **Coaching/feedback/mentoring and development planning.** Executives make time for coaching, feedback, mentoring, and development planning with their high-potentials. “Hi-Pos need to have a champion” and “the best top managers excel at bringing up new leaders and being their champion.”

Once development is underway, executives sometimes neglect to spot trouble and prevent derailment.

**Early Warning Signs**

Four signs that indicate a future leader is headed for trouble:

1. **Lack of communication/engagement.** When high-potentials “stop calling and staying in touch, stop responding to requests, or their people say they aren’t coming to them.” As expectations and goals aren’t met, it’s not competence that is the problem, it’s decreasing “commitment, engagement, and passion” that lead to derailment.
2. **Personal issues and outside stressors.** “Nine out of ten times, personal issues are the cause of derailment.” Competing priorities, such as family, outside community, and personal changes/challenges, can cause a lack of focus that impacts performance.
3. **Lack of follow-through.** Executives felt that lack of follow-through is an extension of engagement in that the high-potential may be bored or may have lost the ambition to grow.
4. **Maturity issues.** Poor self-control, lack of self-awareness, low or underdeveloped emotional intelligence were mentioned frequently.

**Preventing Derailment**

What actions do the best line leaders take to prevent talent from derailing?

1. **Increase feedback and communication.** “I take a directive but guiding style to quickly identify the problem behavior and present fact-based, first-hand, specific examples and suggestions of more appropriate behavior.”
2. **Develop an action plan.** “I take them through the ABCs, make a link between their behavior and results, and I’m firm about expectations. I then put a specific plan of action into place with management controls, and we work together so they are fulfilled.”
3. **Provide coaching.** They coach their hi-pos and enable them to be coached or mentored by peers or other executives.
4. **Provide new opportunities/challenges.** If their performance is poor because they are in an area where they can’t excel, or proper support is lacking, or the person has burned out on the position—and “the individual has a strong track record with us, we’ll try to find a suitable spot for him or her.”

Do your line leaders know how to identify, develop, and retain future leaders? Use these lessons from role-model line leaders and align your TM policies, strategies, systems, and programs with what works for the best.


ACTION: Prevent derailment of your leaders.
Authentic Influence

Lead from who you are.

by Kevin Cashman

YEARS AGO, I COACHED a senior leadership team that reacted to a crisis situation. Caught up in what the situation meant externally, the VP of Operations put a hard spin on the situation in an effort to save face. Then the chairman, thinking through the larger impact, asked the VP rhetorically, “Do you want to look good, or do the right thing?”

The statement was a sharp call-out. Caught up in the potential damage to their reputations and image personas, an elaborate cover-up seemed natural.

Since that event, we’ve seen marked improvement of c-suite leaders giving up on projecting the illusion of invulnerability. Increasingly, many leaders have made headway in connecting their personal values and interests to their careers and business decisions.

Despite this desire to reconcile value and work, leaders face strong pressure to compartmentalize and view work and home in different contexts.

For instance, the OPP report Who’s Fooling Whom? shows how much people still intentionally alter their true colors—both by acting more aggressively than usual or by being uncharacteristically taciturn—at work. Half of the employees surveyed admit to a workplace chameleon, treating colleagues, teams, bosses, and clients as different people.

The rationale for this split personality phenomenon ranges from a lack of confidence about their genuine personality, concerns over promotion, questions about their ability to manage or fit in with the culture or teams, and the need to be more effective, achieving higher productivity and results.

In some ways, it makes sense. When people are agile in their learning and act in ways that aren’t directly connected to their strengths, it can expand their knowledge, increase comfort and fuel growth, revealing new potentials.

Yet being a workplace chameleon day after day, is not without toll. One-third of workers say changing their personality from one situation to another is tiring and that wearing a false face is stressful. Moreover, research suggests that, if “impression management” is the default, it ultimately undermines individuals, engagement, thwarts their development, and reduces potential.

For organizations, it stifles innovation due to the “cookie cutter” environments that create employee clones unable to see another’s shortcomings or, for that matter, opportunities. Growth becomes more about imposing a familiar product than unlocking individual, innate strengths and interests.

For many people, moving ahead in their careers is about mastering some skillset. Instead of being seen as an ongoing internal growth process, mastery is usually seen as mastery of something outside of ourselves. Our training, development and educational systems focus on learning about things. We learn what to think and do, not how to think and be. We fill up the container of knowledge, but rarely consider comprehending it, expanding it, or using it more effectively.

We think we must operate this way because organizations and communities recognize and reward the degree to which we master our external environment. Revenue, profit, new product breakthroughs, cost savings, and market share are some measures of external competencies. Those measures are valuable, but is our single-minded focus on external results causing us to miss the underlying dynamics supporting sustainable peak performance?

Malcolm Forbes said, “All successful business operations come down to three basic principles: People, Product, Profit. Without top people, you cannot do much with the others.”

The reality is we lead by virtue of who we are, and we are all CEOs of our own lives. The only difference is the domain of influence. The process is the same; we lead from who we are. The leader and the person are one.

Authentic Influence Creating Value

After seeing so many definitions and descriptions of leadership focus on outer manifestations like vision, innovation, results or drive instead of getting into the essence of leadership, we decided to step back and look at the most effective clients. Upon reviewing thousands of personality and 360-degree assessments, we challenged ourselves with the question, “What is fundamental to the most effective, results-producing leaders that supports their various competencies or styles?”

Three patterns became clear: first, effective leaders exhibit authenticity, showing well-developed self-awareness and transparency that openly face strengths, vulnerabilities and development challenges. Second, they achieve influence by meaningful communication with people—reminding self and others what is genuinely important. Third, they create sustained value through an aspiration to serve multiple constituencies—self, team, organization, world, family and community.

Continuing to test these principles, we landed on what we think is an essential definition of personal leadership: authentic influence that creates value.

From this perspective, leadership is not hierarchical—it exists everywhere; and personal leadership potentially exists in every nook and cranny. The roles of leadership may change, but the core process is the same. Anyone authentically influencing to create value is leading. Some may influence and create value through ideas, others through systems, others through people, but the essence is the same. Deep from their core, the person brings forward their talents, connects with others, and serves multiple constituencies.

CEOs often lament, “If only everyone shared my sense of urgency, commitment and personal responsibility, we could elevate our performance.” What if all organizations could distribute leadership to every corner? This is the vision of authentic influence that creates value: an organization fully committed to helping all of its people “bring their best” to work every day.

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ACTION: Cultivate authentic influence.
Leaders in Top Gear

Simulate real racing conditions.

by David Giber and Chris Cappy

SUCCESSFUL LEADERSHIP DEVELOPMENT (LD) experiences can involve tackling challenging simulations that have real consequences. The feel and stretch of such experiences connect leaders—learners more easily to the challenges of work as they experience and perceive themselves and their reality in a different way. Old habits can be revisited, and new approaches are forged to face the demands of rapid change.

At the heart of competitive performance is the capacity to change thinking on how to compete. How do we get executives to question their assumptions and leave their comfort zones? Unless they are given an expectation or challenge, why bother changing?

Much is said about teachable moments—creating conditions where a leader-leaner enters a stretch zone of real challenge, quickly engages the learner, providing a unique model for LD.

We experienced the Porsche Sport Driving School (PSDS)—a top school for learning how to drive sports cars. A driving experience at this level provides the safe stretch needed.

The Learning Process

It is easiest to describe the learning process in high-performance driving by following a typical class day.

Morning. The day begins with an orientation of the schedule, track, safety rules, and parameters. The learning message is clear—trust the experience, let go of preconceptions, and listen to the professionals. Many executives are not used to being told what to do, and some have an inflated view of their driving expertise. The lesson: Reorient people to how they need to learn; address their learning styles and openness to change.

The first experience is driving on the track; each corner is mapped out in terms of where to begin braking and turning. This does not make them any easier to negotiate. The lesson: provide a clear map for learning.

During this first run, instructors sort out the skills and comfort level of participants. Instructors are connected to the participants by constant radio contact, allowing for immediate feedback and correction. In driving, the risk is that participants practice the wrong approach. The risk in corporate learning is the same. The key: address poor practices early and directly while communicating respect for the person.

Immediate assessment and adaptation become a new learning approach while driving. Race cars provide instant feedback on performance. You execute correctly and get a good result. The technology of sports cars also provides a connection to the technological forces businesses are trying to master.

Understanding the capabilities of the car and how capabilities get translated into action is a key component of learning. Design exercises that viscerally connect the participant to the capabilities and possibilities of the organization they’re managing.

Understanding the capabilities of the car and how capabilities get translated into action is a key component of learning: design exercises that viscerally connect the participant to the capabilities and possibilities of the organization they’re managing.

The initial laps enable the instructors to adjust the groups for ability and safety. Lessons: Find a way to watch your participants executing early in order to gauge their level of skill. Use the instructor team to gear the challenge level in a way that allows safe risk taking.

Next, you ride with an instructor, taking the track at increasing speeds. You see entry points, exit points, and drive by the numbers that are set up to help you master braking and acceleration. Lessons: The importance of first-hand experience; staying on course and thinking in a systemic way; moving from individual corners and straight-aways to seeing the big picture. The immersion into seeing the entire course, envisioning the “flow” of the driving experience, quickly engages the learner, allows for a more rapid development of consistency, and sets an open learning stance for participants—getting them to accept feedback. The best LD experiences use feedback as an opening approach, and translate it into the open systems view needed for in-depth learning and change. They raise similar questions for the participants: How much risk am I willing to take?

How do my skills feel as I apply them? How do I gradually get faster?

The heart of the experience is improving your driving discipline (Precision Driving Technique, PDT); seeing execution in action, stretching limits, receiving immediate corrective feedback. The instructor is a coach, focusing on the participant’s fundamentals: shifting, position, vision, consistency and smoothness in reaction to the track.

Does your LD approach allow for such close coaching and feedback?

When participants follow other drivers or watch the instructor drive, they understand the limits of grip and its consequences in terms of understeering and over-steering. This is a big challenge for leadership education; how do you create experiences that put risk taking into the equation? How do you get leaders to see the consequences of taking too much or too little risk without crashing? Action learning can address this, but it is complicated to implement and often requires much time and effort. The challenge is to design a simpler, more immediate way of introducing risk; of providing ways to push the limits of control in a safe way.

The discipline of driving involves taking explicit instructions to succeed; using your vision, listening, seeing true precision and execution in action, opening up to stretching and redefining limits. The skills are basic: developing a sense for brake, gas and clutch pressures; maintaining throttle to balance and position the vehicle. Yet their combination and application on the race track transform these skills to a new level. The corollary: what introduces the disciplines of leading and communicating? How do we sharpen our abilities to observe and sense them, and provide safe environments that push them to the next level? These are the road skills of today’s leader.

Afternoon. In the afternoon, these activities are repeated with the added pressure of timing and team competition. The goal is to step up the pace on the track and raise the performance level. Attention to details (such as pit stops) drive winning performance. The best teams learn to quickly identify issues and focus, adapt, and correct.

This is the approach of a winning race team (or leadership team). How do leaders learn to exercise improved judgment and perception while they are in motion? How do you improve...
your ability to drive a business solution, identifying what makes you faster and reduces errors?

Participants experience the value of practice and focus, and the excitement of making progress and exceeding their own idea of how well they thought they could do.

The final part of the experience is hot laps when the pace is increased and participants put all their skills together to achieve a personal best. After this session, participants become passengers, and instructors drive at racing speed.

This final experience teaches the participants that no matter how good you get, there’s always a next level of performance and ability.

Next day. Debriefing the experiences and connecting people to a framework for change happens the next day. The work with corporate teams focuses on structured problem-solving to drive better, faster results, improve execution, or achieve greater collaboration. After the driving experience, the connections are focused; the consequences of the choices clearer. The goal is to focus on what creates an improvement in sustainable competitive capability and execution. We have seen teams move key initiatives faster and individual executives open up to a new leadership approach.

LD educators struggle to capture the quick adaptability and judgment that leadership requires. To get learners to take risks and move to the next level, consider using sports car driving and other learning experiences that involve an uncomfortable stretch. The advantage to sports driving is its immediacy and connection to something we do every day. We may think of ourselves as being good drivers, but few of us even know how to brake in challenging conditions. We tend to treat our cars functionally—we form both good and bad habits. Racing demands challenging old habits to do something we do routinely at a new level.

It is easy to form habits, to think you know what you are doing based upon previous success. Unfortunately, given new conditions and challenges, we often find that what got us here won’t necessarily get us to our next destination. Sports car driving helps leaders understand what it will take to lead change and adapt for the future. LE


ACTION: Use simulation in your LD.

LEADERSHIP DECISIONS

Natural Leadership

Weigh the tactics vs. strategy.

by Brent Bradshaw and Jack Pate

Who are the two or three best leaders you’ve worked with? Is it their leadership tactics or their leadership strategies you admire? Can you explain the differences?

By leadership tactics we mean skills, styles, and practices used to implement leadership strategy. All tactics are built on talents. By talents we mean abilities created by nature. Not all talents contribute to leadership.

Leadership strategy is the path you chart to get through obstacles and opportunities. Everyone who taught themselves to walk, talk, play, or get from point A to point B, was born with a natural strategy for self-leadership. Sadly, many people fail to recognize, develop, or preserve that natural gift.

Consider how effortless it could be for leaders to use this natural self-leadership strategy, rather than to suppress, neglect, or fight it. As a leader, you must first lead yourself. Then you can lead others simply by helping them to lead themselves too.

If a stakeholder is anyone who stands to win or lose something through your enterprise, shouldn’t the goal of leadership be to orchestrate success for all stakeholders? Then, leadership strategy can be defined as the logical path to that goal—the core questions that must be answered correctly to succeed.

Nature gives everyone nine nagging questions. Answers to those questions balance rationality, intuition, and judgment. How? Rationality (logic, reason), intuition (gut feel, sub-conscious), and judgment (evaluation, comparison) meet at decision points. Any decision answers a question. Decisions result directly from judgment’s arbitration of rational and intuitive opinions.

Score your leaders on the nine questions, replacing X with a leader’s name. Score 10 if they are the best you could expect to find; 5 if they are adequate; 0 if they are clueless or counterproductive.

Motives: Motives are the relevant wants and aversions of your team’s stakeholders, including customers. How well does X understand, prioritize, and protect the team’s top motives?

Goals: Goals are the criteria for success that will satisfy the top priority motives. How well does X organize and define the criteria for success?

Resources are capabilities needed to meet goals. How well does X acquire and manage skills, time, materials, tools, people, infrastructure, and all other assets to meet goals?

Factors are the major obstacles and opportunities that must be addressed. How well does X analyze, identify, and explain key factors?

Strategies are paths of objectives that address key factors. How well does X organize and define the path to success?

Ideas are designs or options that might solve strategic objectives. How well does X plant, cultivate, harvest, and manage ideas?

Predictions are your best expectations for the costs and outcomes of implementing ideas. How well does X assess, select, and champion the best ideas and options?

Tactics define all assignments, dates, schedules, materials, tools, and practices required to implement the best option. How well does X organize and define the tactics required to implement a selected option?

Results: How well does X manage the timely and cost-effective completion of work required in the tactical plan to please the customer?

Leaders must integrate and balance all nine answers. Failure to correctly connect or answer any one of these nine decisions could cause failure for all. Leaders may want to improve their answers by enlisting the help of others. Not only will the answers be better, but leaders will tap into the mind’s natural abilities, the process will generate stronger buy-in, and all participants will better see the same, clear picture.

Using this natural leadership strategy, leaders can lead themselves; they can give their teammates what they need to lead themselves; and everyone improves their mutual trust, respect, and cooperation, all of which help to satisfy a leader’s primary goal to orchestrate success for all stakeholders.

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ACTION: Rate your own natural leadership.
Operation Firefly
Ignite innovation to light the way.

by Kimberly Douglas

To survive this season of turmoil, you must innovate—light up the economic darkness with one bright idea after another.

The only ticket out is innovation: new products, services, processes, means of communication, and methods of collaboration. Companies that can churn out innovative ideas—good, workable ideas—can adapt to the new realities.

The heart of innovation is people working together eagerly, intelligently, and productively. When this synergy happens, ideas emerge like fireflies at dusk. Create a more innovative culture—Operation Firefly—using these 10 tips:

1. Understand the new role of leadership. Move toward “right-brained” skills and talents such as creativity, empathy, intuition, and synergy. Create a safe, respectful place where individual creativity can emerge, and then focus that creative energy in the right direction based on the team’s vision, purpose, and goals.

2. Search for untapped talent on your team. Just as there are more than 2,000 species of fireflies, there are many different talents in people. Uncover the hidden talents of your people and use them to your team’s advantage. Employees who are seen as unique contributors become more engaged and passionate about their work—they light up and become creative superstars.

3. Encourage creative abrasion, but sweat ferocious fireflies. Conflict is a desirable sign of diverse thinking; however, keep focused on the issues and don’t tolerate ferocious fireflies: toxic, manipulators who gain the trust of others only to viciously turn on them later.

4. Deal with other, more insidious trust busters. Three behaviors damage or limit trust: 1) a refusal to share personal information; 2) sarcasm disguised as humor; and 3) one or more disengaged members of the team. To innovate, people must connect with each other in a real, deeply personal way.

5. Make sure quieter fireflies have a chance to glow. If your big talkers and stars verbally run over the quieter, less visible members of your team, the same ideas and solutions will always get implemented. Insist that everyone jot down their initial ideas in silence and then share them, round-robin style. Impose a time limit so that no one can outtalk her quieter teammates. Simply seating a predictably dominant person next to a reserved team member can change group dynamics.

6. Don’t let team leaders keep too tight a lid on the jar. Just as fireflies’ lights fade when they’re held captive, a leader who dominates and controls the team will squelch creativity. If you’re the leader, don’t sit at the head of the table. People tend to defer to the leader, and so you have to watch your tone of voice, body language, and facial expressions. Don’t converse with only one or two other members or bias people by virtue of your position.

7. Make meetings fun, exciting, and inviting. Try mind-mapping (for left-brain thinkers) or brain-writing (for right-brain thinkers) to get creativity flowing. Hold light, fun, engaging meetings that people want to attend. If they don’t want to be there, they won’t be in the right frame of mind to achieve anything—and they won’t.

8. Shine the light of accountability on your team. Follow up the decisions you reach with action. Create a picture of what personal accountability looks like. Delegate specific assignments to specific people. Set a date for a follow-up meeting in which everyone reports on their assignment. Don’t tolerate lame excuses (even from leaders).

9. From time to time, escape the office for a creative excursion. Take excursions that create lifelong lessons and connections you can apply to improve your performance. Off-site team building exercises yield fresh insights on teamwork, help you think about problems in a new way, and help you see others in a new light.

10. Make innovation everyone’s job. You must make time for innovation. At least devote one hour a week to brainstorming. Even if you don’t see immediate outcomes, you keep people engaged and excited. All it takes is for one person to have a bright idea and pass it on—like the spark of a firefly that magically illuminates the night.

Kimberly Douglas is author of The Firefly Effect (Wiley) and president of FireFly Facilitation. www.fireflyfacilitation.com

ACTION: Ignite innovation in your culture.

Express Yourself
Strike hard, try everything.

by Warren Bennis

Letting the self emerge is the essential task for you as a leader. It is how you take the step from being to doing in the spirit of expressing, rather than proving.

Suppose you’ve been offered a job that requires making speeches to large groups. You want the job, but your fear of public speaking prevents you from accepting it. When your feeling of fear overpowers your confidence and prevents you from acting, you have three choices: 1) you can surrender to your fears and pass on the job; 2) analyze your fear objectively (but that won’t change anything); or 3) reflect on your experience in a constructive, concrete way.

Reflection and resolution. Reflection gets to the heart of the matter, the truth of things. After reflection, the meaning of the past is known, and the resolution of the experience—the course of action we must take as a result—becomes clear. When we don’t reflect, we tend to be shaped more by negative experiences than by positive ones. We remember the few lapses, not our triumphs. We merely react.

I find that thinking of the things in my life that bring me pleasure is a peaceful and positive way to start the day—and a much better way to deal with a perceived failure than to ruminate on it. When you’re down, think of the things you have to look forward to. When you are no longer in the grip of the mishap, then you are ready to reflect on it.

In fact, mistakes contain potent lessons—if we think them through calmly, see where we went wrong, mentally revise what we’re doing, and then act on the revisions. Most of us are paralyzed by our fears. We’re so haunted by them, so afraid that we’re going to goof again, that we become fearful of doing anything. We have to cope with our fears through thought, before we act again. Reflection comes first, and then strategic action. Reflection permits us to process our feelings, understand them, resolve our questions, and get on with work.

You need not be a victim of your
is solid to the degree that you reflect on it, understand it, and arrive at a workable resolution. True reflection inspires, informs, and demands resolution. To do anything well requires knowing what you’re doing, reflecting on yourself and the task or conflict, and coming to a resolution. For example, if you face the conflict of Blind trust vs. Suspicion, resolve it with Hope; Independence vs. Dependence, with Autonomy; Initiative vs. Imitation, with Purpose; Industry vs. Inferiority, with Competence; Identity vs. Confusion, with Integrity; Intimacy vs. Isolation, with Empathy; Generosity vs. Selfishness, with Maturity; Illusion vs. Delusion, with Wisdom.

Perspective. When you learn to reflect on your experiences until the resolution of your conflicts arises from within you, you begin to develop your own perspective. Perspective is how you see things, your particular frame of reference. Without it, you’re flying blind. But it’s also your point of view; and if you know what you think and what you want, you have a very real advantage. A point of view is not only rare, but valuable. If you want to express yourself fully and truly, you must have a point of view (leadership without perspective and point of view isn’t leadership).

Of course it must be your own perspective, your own point of view. You can’t borrow a point of view any more than you can borrow someone else’s eyes. It must be authentic, and if it is, it will be original, because you are an original. Once you master the arts of reflection, understanding, and resolution, perspective and point of view will follow.

Tests and measures. Your next task is to figure out what to do. What do you want? How can you best express yourself? What are you offering the world? What do you have to offer? When you have this information, you can start to design a plan or strategy. But you can’t do this without sitting on top of the mountain of perspective and measures. If you don’t have a point of view, you don’t have a strategy. If you don’t have a strategy, you don’t have a plan. And if you don’t have a plan, you don’t have a way to move forward.

Mastery. Leaders haven’t simply practiced their vocation or profession. They’ve mastered it. They’ve learned everything there is to know about it, and then surrendered to it. Such mastery requires absolute concentration, the full deployment of oneself. Mastery, absolute competence, is mandatory for a leader. But it’s also more fun than anything else you’ll ever do.

Strategic thinking. The creative process that underlies strategic thinking has four basic steps: First, you have to know where you’re going to end up. Once you have the summit in view, you figure out all the ways you might get there. Then you play with those—altering, connecting, comparing, reversing, and imagining—finally choosing one or two routes. Second, you flesh out those routes, elaborate them, revise, them, make a map of them, complete with possible pitfalls and traps as well as rewards. Third, you examine this map objectively, as if you were not its maker, locate its soft spots, and eliminate them or change them. Fourth, you then set out to climb your mountain. You assume risks in making the results of your strategic thinking real. Unless you take those risks, you’ll suffer paralyzing inhibitions, and never do what you are capable of doing. Mistakes—missteps—are necessary for actualizing your vision.

Synthesis. Finally, the leader combines all the means of expression in order to act effectively. John Sculley sees synthesis as the difference between management and leadership. “Leadership is often confused with management. But management requires an entirely different set of skills. Leadership revolves around vision, ideas, direction, and has more to do with inspiring people as to direction and goals than with day-to-day implementation. You can’t lead unless you can leverage more than your own capabilities. You have to be capable of inspiring other people to do things without sitting on top of them with a check-list (management).

Vision, inspiration, empathy, trustworthiness are manifestations of a leader’s judgment and character. Leaders consciously construct their own lives and the contexts in which they live and work. Each is not just an actor, but playwright, hammer and anvil, and each, in his or her own way, is altering the larger context.

The means of expression are the steps to leadership: Reflection leading to resolution. Resolution leading to perspective. Perspective leads to point of view. Point of view leads to tests and measures. Tests and measures lead to desire. Desire leads to mastery. Mastery leads to strategic thinking. Strategic thinking leads to full self-expression. The synthesis of full self-expression is leadership. Leadership is first being, then doing. Everything the leader does reflects who and what he or she is.

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ACTION: Develop your leadership point of view.
Beyond Breakdowns

Turn them into breakthroughs.

by Thomas D. Zweifel

Great leaders, from Moses to Mandela, masterfully turned breakdowns into breakthroughs. Moses braved Egypt’s pharaoh, mutinies against him, and 40 years in the wilderness in leading his people to the Promised Land. Mandela did not let 27 years on Robben Island stop the Promised Land. He did not let 27 years on Robben Island stop the Promised Land. Mandela did not let 27 years on Robben Island stop the Promised Land. buckle. Though a leader’s ultimate test is how he or she copes in a crisis, the smartest CEOs have been known to regress and throw temper tantrums when the world seemed to turn against them. Jeffrey Skilling was so famous for his tongue-lashing that Enron employees were simply too afraid to tell him the truth. Even whistle-blower Sherron Watkins expressed her concerns only anonymously—and she was one of the brave ones. Despite a decade of shareholder activism, Enron is not alone. “I was never allowed to present to the board unless things were perfect,” said a former Xerox executive. “You could only go in with good news.” Whoever gave bad news risked being blamed—or fired: the directors simply killed the messenger. And when they forced management to confront its poor performance, executives blamed short-term factors—from currency fluctuations to trouble in Latin America. By the time then-president (and later CEO) Anne Mulcahy came out and spoke the truth—the company had an “unsustainable business model,” she told analysts in 2000—Xerox was already flirting with bankruptcy. This is the second pitfall when breakdowns happen: you blame yourself, your colleagues, or the game as a whole—“I am wrong, they are wrong, or it is wrong” (“it” being the task, the project, your job, or your entire organization).

Pitfall 3: Hope. Everybody simply waits, hoping that the breakdown will somehow disappear “if we just let it be.” It likely won’t. But often nothing happens, especially in organizations where people pass the buck, unless someone—a leader—takes charge and cuts through the apathy. Many leaders wait instead of facing a breakdown head-on. They usually know there’s a problem; their inner voice is telling them, but they suppress it. Those around the CEO often recognize the problem first, but he isn’t seeking information from multiple sources.

Worse, when CEOs feel threatened, “they focus even more on what brought them their success,” says leadership expert Warren Bennis. “They dismiss anything that clashes with their beliefs.” Such attachment to old solutions is, of course, the exact opposite of what would transform the breakdown into a breakthrough.

Pitfall 4: Hedge. Worse, you change (and usually lower) your goals instead of stretching to fill the gap. But far from being the problem, the commitment is in fact the solution. Whenever you commit to a vision, you are bound to have a gap between present and future. In fact, breakdowns cannot exist without background commitments. If you are not committed to anything, you may have problems (perhaps turn into a vegetable), but you will not have breakdowns (or accomplishments) of size.

Breakdowns are directly correlated to breakthroughs. When Pfizer tested Sildenafil, trials of the new heart medicine showed unwelcome and huge (forgive the pun) side-effects: Male patients experienced increased blood flow to the penis. The drug enhanced the smooth muscle relaxant effects of nitric oxide, a chemical normally released in response to sexual stimulation. If Pfizer managers had kept the failure a secret, if they had waited, or if they’d wavered in their commitment to make a blockbuster drug, they would have lost the company lots of money. Instead they made noise, and out of a breakdown—a malfunctioning heart drug—a breakthrough was born. The new drug posted $1 billion in sales in its first year and became a household name: Viagra.

Three Steps to Triumph

You turn breakdowns into breakthroughs by taking three steps:

Step 1: Declare a breakdown. The first step is to make the breakdown public and interrupt business-as-usual. Your declaration of the breakdown forces you and your stakeholders to confront the gap between current and desired performance. A breakdown in
this context is a wake-up call that puts you back in the driver’s seat. Churchill did this in the 1930s: He kept warning his compatriots of the Nazi threat—until he rose to prime minister at 66.

**Step 2: Assert your background commitment.** Keep in mind your underlying goal, without which there would be no gap. By declaring the breakdown, you serve public notice that it’s unacceptable in relation to a particular commitment. Remember, and help others remember, why everyone committed to the goal in the first place. What would be missing in your lives, organization or society if you stopped?

**Step 3: Search for options and declare the breakthrough.** Once you have declared the breakdown and recommitted your team to the original goal, the third step is to brainstorm extraordinary actions. Don’t be afraid to rattle people so they shift focus, think newly, and see unconsidered opportunities to fill the gap between the status quo and the desired result.

One night years ago, when Philip Anschutz laid the groundwork for what was to become a multi-billion dollar fortune, he got a call. A drilling supervisor at one of his Wyoming oil rigs gave him the bad news—the well was on fire, and if the fire kept burning, it would bankrupt him.

Common-sense crisis management in such a case is to limit your exposure, sell off the bad investment, and get out of there quickly. Anschutz did the exact opposite. He saw the bright side: the fire meant he had struck oil. He rented a plane, flew to Wyoming, and by 8 a.m. the next morning gambled more money on his oil venture. He bought as much land around the burning well as he could. He hired Red Adair, a legendary oil-field firefighter, to put out the blaze, and invited a Hollywood studio to shoot the episode for the John Wayne thriller “Hellfighters.” When he recalled the fire, Anschutz said, “There’s always a point that if you go forward you win, sometimes you win it all, and if you go back you lose everything.”

According to Churchill, “There are two types of people: those who see difficulty in every opportunity, and those who see opportunity in every difficulty.” We now need the latter type. So, if you choose to, you can change your mind-set. But the 44 women in the experimental, “exercise-savvy” condition now perceived themselves to be more active—and they lost an average of two pounds, lowered their systolic blood pressure by 10 percent, and logged reductions in body mass index, body fat percentage, and waist-to-hip ratio. These positive effects occurred even though all attendants cleaned the same number of rooms and did not report any more exercise outside of work. They also reported that their diet and exercise habits were good, that they felt great, and they lost an average of two pounds, lowered their systolic blood pressure by 10 percent, and logged reductions in body mass index, body fat percentage, and waist-to-hip ratio. These positive effects occurred even though all attendants cleaned the same number of rooms and did not report any more exercise outside of work. They also reported that their diet and exercise habits were good, that they felt great, and were good, and that they felt great. They also reported that their diet and exercise habits were good, that they felt great, and that they felt great. They also reported that their diet and exercise habits were good, that they felt great, and that they felt great. They also reported that their diet and exercise habits were good, that they felt great, and that they felt great.

So, what changed? Their mindsets. Mountaineer Ed Viesturs has summited all 14 of the world’s mountains over 26,000 feet in altitude, without the usual oxygen support and without any brain damage. Lovers walk hand-in-hand in pouring rain. Football fans tailgate in the worst of blizzards; polar bear club members dive into frigid waters without a sniffle—these are healthy and happy activities when one chooses a corresponding mindset. So, when your “winter” approaches, which mindset will you choose?

Few people work on restructuring their minds. Many consider their mindsets to be genetically hard-wired—permanent personality traits. For example, people think they are either an optimist or a pessimist, and there is nothing they can do about it.

Dr. Martin Seligman finds optimism is more effective than pessimism, and optimism can be learned. You can boost your mood, your immune system, your relationships and your reactions to setbacks with “healthful thoughts.”

So, if you choose to, you can change from a pessimist to an optimist! Beyond trying to think positively, you can actually restructure or reshape your brain, causing dramatic changes in the parts of the brain associated with positivity and happiness, by practicing meditation or other forms of mental training.

**Practice ThreeBreaths**

To facilitate mind-set retraining, try taking Three Deep Breaths—anywhere.

1. **Centering breath.** Breathe in the present moment with balance and energy. Align your body into a tall, balanced, and symmetric posture, allowing gravity to flow through you. Breathe from your diaphragm (your breath gets slower, deeper, quieter, and more regular). Attend to the present; witness internal and external sensations, emotions, and thoughts.

2. **Possibility breath.** Breathe in the “me I want to be” with power and purpose. Breathe in your best self, your highest choice or purpose. Using images, feelings, or words, invoke the “best me I can be” given the situation. On the way to work, it might be: “I’m a team player, giving my job 100 percent focus.”

Or, if you’re entering your home, “I am a loving, joyful parent” or “I am a compassionate and considerate spouse.”

3. **Discovery breath.** Breathe in the mystery, the magic of life, and let go of judgment. Be appreciative of whatever shows up; let go of the judgments that constrain your choices and cause knee-jerk reactions toward others. Breathe in the beauty and spaciousness of life.

Practice shifting your mindset. You can create happiness, optimism, or anything you choose to create. Begin now!
A New Paradigm

See leadership as a function and process.

by Ralph Jacobson

I recently searched several key words in the Amazon book engine to understand the relative importance of leadership. I discovered that there are 70,022 books under the header of sex; 53,658 entries under leadership; and 44,227 under leader. This suggests that these topics are almost of equal importance to many people.

And yet, despite the emphasis on leadership, CEO’s are turning over at record levels, and large corporations that have had access to some of the best leadership training and advice are struggling for survival. To improve success, we may want to look elsewhere for answers.

Underlying the challenge is the accelerating rate of knowledge and change. We will experience 20,000 years worth of change in the next 100 years. The primary challenge faced by all institutions is their ability to adapt. The traditional organization hierarchy, the primary means to structure and govern institutions and businesses, unfortunately constrains the ability of people to make well-informed decisions and to execute across silos in an effective and time-sensitive manner. It is not necessarily the capabilities of leaders, but the structure in which they must function that limits the ability to implement change. Hierarchy facilitates an over-reliance on a few people, thereby limiting the ability of people to work collaboratively.

Providing leadership training to a select few has not gotten us out of the conundrum. There is another way.

The Resolution

One remedy is to redefine leadership. Rather than define leader as a person at the top of the chart, define leadership as a function that is the shared responsibility of many people, who use good process, with the help of leadership tools and hone their skills through practice. The end result is a network of people who use similar language and methods to accomplish the most important, often more complex, work. Because they share common language and methods and can now function at a higher level, people more easily work across traditional silos and are more open to change because they’ve learned how to work collaboratively through the change process.

Leadership as a function. Rather than perceive leadership as a person, frame it as an essential function—similar to HR, finance, and sales—that has three primary deliverables: 1) direction—does the organization have a plan to ensure long-term viability and are people convinced that the plan will achieve its intentions? 2) competence—is there the competence and sufficient financial, human, and technical resources to achieve the direction? and 3) implementation—are we on course to achieve the plan and get expected results? Seeing leadership as a critical function with three deliverables makes it easier to describe and do the work, diagnose leader strengths and weaknesses, and measure and improve leadership effectiveness.

Leadership as a shared responsibility. When leadership is defined as a function, people are more engaged and accountable for doing the work. They then have at least two roles—their traditional work and their critical leadership work. More eyes and ears working together on the critical stuff means the organization can more effectively respond to external circumstances. For many people, leadership work is more enjoyable and prepares them to undertake greater responsibilities in the future. The primary responsibility of the senior leaders is to create the environment in which people can do this new work rather than shoulder these responsibilities by themselves.

Leadership as a process. Typically leadership issues are addressed one at a time in unique ways. It’s a slow process. Instead, what if leadership and change work could be carried out as a definable, teachable, repeatable, and improvable process? Once the process is learned, it can be similarly applied to a wide range of organization issues. Institutionalizing the leadership process makes it easier for people to work together to successfully achieve the three leadership deliverables. We have defined the leadership process and found that people are indeed able to learn it and execute it.

Tools. Many thought leaders have developed models and other tools that facilitate the work of leadership, but sadly few are utilized. When leaders lack the tools they need to do the job, their chances for success diminish.

We’ve translated several models into easy-to-use tools and found that people are more eager to take on more complex challenges because the new language and structure makes it easy for them to accomplish this work.

Practice. Using new leadership processes and tools requires practice to acquire a new skill set. In most professions this is accepted. Professional athletes practice extensively during the off season. When they complete professional school, doctors and lawyers set up a practice. But organizations typically provide limited support for people to learn and subsequently hone their new leadership skills. As a result, much of the investment in training fails to provide a financial return.

Leadership as a network. The key element for building adaptable organizations is the ability to share and process critical internal and external information and expediently take the proper actions. Hierarchies are an anathema to network building because they subdivide work and often create artificial boundaries and barriers. When people undertake work by using common language, process, and tools some of these barriers disappear opening the way for greater collaboration and teamwork. A leadership network is a key source of competitive advantage.

The ability to adapt to the rapid pace of change requires a new leadership model. Implementing the alternative approach recommended here may be far easier and clearly more cost-effective than the traditional development models that attempt to improve leader capabilities one at a time.

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ACTION: See leadership in a new way.
Dissolve Dysfunction

Begin building your dream team.

by Patrick Lencioni

Successful teams share two qualities: they are smart, and healthy. They show that they are smart by developing intelligent strategies, marketing plans, product features, and financial models that lead to competitive advantage over rivals. They show that they are healthy by eliminating politics and confusion, which leads to higher morale, lower turnover, and higher productivity.

I find that many leaders spend most of their time and energy making their organizations smarter, not making them healthier. This is regrettable, considering three benefits of health.

First, healthy organizations have a way of making themselves smarter. Even if their ideas are temporarily inferior to those of competitors, they recognize their deficiencies and change plans before it is too late. Other companies squander intellectual advantages because of infighting, lack of clarity, and other health problems.

Second, healthy companies are far less susceptible to ordinary problems. During difficult times, employees will remain committed to a healthy organization and stay longer, ultimately working to reestablish competitive advantage.

Third, no one but the leader can make the organization healthy. While executives often delegate responsibility for strategy, technology, marketing, or finance, they can't assign responsibility for cultural well-being. Hence, leaders should focus more on making their organizations healthy. And yet strategy, product innovation, and marketing typically receive far more attention.

Why? Because health is hard to measure—even harder to achieve. It feels soft to executives who prefer more quantitative methods of steering their companies. It also entails longer lead time to implementation than does a technology or marketing strategy. And health is often neglected because it involves facing realities of human behavior that even the most committed executive is tempted to avoid. It requires levels of discipline and courage that only a truly extraordinary executive is willing to embrace.

Teamwork Means Advantage

Teamwork—not finance, strategy, or technology—remains the ultimate competitive advantage. Most leaders know this truth, and yet teamwork is still elusive. It seems that teams, made up of imperfect human beings, are inherently dysfunctional.

Teamwork comes down to mastering a set of behaviors that are simple, but difficult to put into practice daily. Success comes only to groups that overcome the behavioral tendencies that breed dysfunctional politics.

To build a strong team, you need to attract people who are team players, who fit the culture, who are committed to the team and capable of being vulnerable and selfless. Front-load the team-building by having a meaningful offsite gathering. Just know that effective team-building has to be done in the context of real work.

I encourage leaders and their teams to address the five causes of team dysfunction, and to start with the first—an absence of trust. This trust has to do with the ability of team members to be vulnerable with each other, to admit their weaknesses and mistakes, to acknowledge the strengths of others and apologize when they do something wrong.

If even one team member can’t be vulnerable, the team will struggle to overcome the next dysfunction—the fear of conflict. I encourage healthy conflict on teams. Great teams argue, but not in a mean-spirited or personal way. They disagree, and passionately, when key decisions are made. They argue about concepts and ideas, avoiding personality-focused mean-spirited attacks. Of course, many of us avoid conflict and compromise and reach artificial consensus, leading to mediocrity. When team members trust each other and admit when they’re wrong, then conflict becomes simply the pursuit of truth or best possible answer. Without trust, conflict becomes politics.

Engaging in conflict is necessary to overcome the next dysfunction—the lack of commitment. When team members passionately share their opinions about a decision, they don’t wonder whether anyone is holding back. Then, when the leader has to make a decision because there is no easy consensus, team members will accept that decision because they know that their ideas were heard and considered. Even if they still disagree with the leader’s decision, they’ll do all they can to support it. Most of us can embrace an option we didn’t choose, if we think the people who made the decision listened and considered our input. People have a great capacity for rallying around a decision and they don’t have to get their way. They just need to have their way heard and considered.

Teams next need to overcome the fourth dysfunction—the avoidance of accountability. The accountability on a team is peer-to-peer. Peer pressure is more efficient and effective than going to the leader, anonymously complaining and having them stop what they’re doing to intervene. On great teams—where people trust each other, engage in open conflict, and then commit to decisions—team members have the courage and confidence to confront another when they see something that isn’t serving the team. The only way team members can do this is if the leader holds people accountable first.

The cause of the fifth team dysfunction is the inattention to results. Team members must focus on the collective good of the team—not on their department, budget, career aspirations, or egos. Great teams put the tangible results of the team ahead of their needs. Team members won’t subjugate their needs if they aren’t held accountable. And they won’t be held accountable if they aren’t committed to intended results. And they can’t commit to those results if they haven’t debated and weighed in on the decision. And they won’t debate and weigh in if they don’t have confidence that everyone on the team is vulnerable enough to be trustworthy.

Building a team requires a constant investment of time and energy. Those leaders who make teamwork a priority will enjoy a powerful competitive advantage in today’s marketplace.

Patrick Lencioni is president of The Table Group, a leadership consultant, speaker, and author of eight books. This article is adapted from two of his books, The Five Dysfunctions of a Team and The Four Obsessions of an Extraordinary Executive (JosseyBass). Visit www.tablegroup.com.

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