JUNE 2008

Go for the Gold

Tough Calls

How to Play
Office Politics

Real Innovation

Noel Tichy
Leadership Consultant

"*Leadership Excellence* is an exceptional way to learn and then apply the best and latest ideas in the field of leadership."

—WARREN BENNIS, AUTHOR AND USC PROFESSOR OF MANAGEMENT

w w w . L e a d e r E x c e l . c o m

Bear Clings to Coat-tails?

Many leaders ignore problems in the hope that they will fade away, but when a bear market or big problem is attached to your very coat-tails, you may then need to face the facts and take drastic survival measures.

Leadership Development

Share your teachable point of view.

by Ken Shelton

A T THE LINKAGE ORGAN-izational Development Summit in Chicago on May 14, *Noel Tichy* invited me to share my *"teachable point of view"* on *leadership*. I said, "Leadership is first and foremost about having followers, and that suggests having *something*—a vision, mission, purpose, direction, product, personality, brand, promise, or resource—that attracts people and engages them, day by day, in a meaningful, win-win exchange of time, talent, and money and engenders loyalty and trust."

I then challenged my learning group to develop and share their *teachable POV* on *leadership development*. We came up with this: "A program or process that prepares and develops people to accept more responsibility, often a sense of ownership associated with a company, position or project, and achieve results that are valued by the stakeholders in ways that build relationships and make wise use of resources."

I likewise encourage you to develop a teachable POV on leadership and LD.

Developing Strengths

At the annual HRPS global conference in April, *Marcus Buckingham* of *Discover Your Strengths* fame, advised focusing on personal strengths. His "build on your strengths" POV is a popular counterbalance to behavioral feedback that focuses on competency deficiencies more than on personal strengths.

In his counterpoint article, *Ron Crossland* of Bluepoint Leadership Development, notes: "Learning occurs more rapidly when we apply ourselves to unfamiliar things. Our ability to self-renew and grow stronger requires that we tackle new activities—explore and test ourselves against abilities and situations that cause us to feel like beginners. *Daring the difficult* develops a person more than simply building on strengths or focusing on weakness. Over time, people who focus solely on strengths (and allows lesser strengths to atrophy) may narrow their ability to learn or to tap latent talents and strengths."

I think they're both right and that the mix of LD activities should reflect this insight:

Noel Tichy

Susan Croushore

build on strengths and dare the difficult.

Excellence in Learning

This month, we are introducing 12 new *learning modules* as part of our *Excellence in E-Learning* initiative. To create a better learning experience for online training, we are partnering with Proton Communications and their innovative Learning Management System, branded *ProLearn*, to enable you to easily access and manage great content online while tracking learner progress. Our *Leadership Learning Modules* are designed as online courses with audio, text, illustration, interaction, and tests. These modules can be easily integrated into training programs as a blended solution or as a primary source for online training, education, and certification. To sample a learning module, visit www.LeaderExcel.com.

Best Programs and Practices

We again invite your nominations and submissions for our annual listing of *Best Leadership Development Programs* (visit www.LeaderExcel.com to access last year's ranking or to submit for this year). We are partnering with *Rob Lebow* to provide you with a more objective assessment and ranking of your leadership program.

And on November 14, at the annual *Best Practices in Leadership Development Conference* in Washington, D.C., we will announce this year's winners. I invite you to visit *www.LeadershipBestPracticesConference.com* to register for the conference.

Example of Excellence

I recently received a nice email from Regina Troxell, Director of OD at The Christ Hospital in Cincinnati, Ohio. She nominated her boss *Susan Croushore*, President and CEO of The Christ Hospital as my favorite leader. "Susan is a courageous servant leader who is passionate about the mission of nonprofit healthcare. She inspires us to strive toward excellence and quality service. Transformational changes in our organization have not deterred Susan's unwavering commitment to employee engagement and community involvement."

Ken Shelton
LE
Editor since 1984

Executive Excellence Publishing

Making Tough Calls

Great leaders exercise wise judgment.

by Noel Tichy and Warren Bennis

THE ESSENCE OF LEADERSHIP IS THE ability to make consistently good judgment calls. Leaders are remembered for their best and worst calls, especially when the stakes are high, information is limited, and the correct call is not obvious. In the face of ambiguity, uncertainty and conflicting demands, the quality of a leader's judgment determines the organization's fate. What really matters is not how many calls leaders get right, or even the percentage of correct calls, but the actual number of *important calls* they get right. Effective leaders pinpoint the make-or-break decisions and get most of them right.

Right Calls When It Counts Most

How can you make good judgment calls when it counts the most? There is no one-size-fits-all way to make a judgment call. Every organization has distinct problems, people, and solutions. However, leaders who have "good judgment" repeatedly make calls that turn out well, largely because they master a process that unfolds in three phases:

1. Preparation phase: This phase includes what happens before leaders make the decision: sensing and identifying the need for a judgment call, framing the issue and naming the people involved in the call, and mobilizing and aligning the right people around the decision. Faulty framing and naming result in bad judgment calls.

2. Call phase (making the judgment call): There's a moment when leaders make the call, based on their views of the time horizon and the sufficiency of people's input and involvement. This is what leaders do in that moment. The critical domains are judgment calls about people, strategy, and crises.

3. Execution/Action phase: Once a clear call is made, execution is critical. You can't walk away from a call: you need to make it happen and continue to make adjustments. Resources, people, capital, information and technology must be mobilized. During this phase, feedback loops allow for adjustments. Leaders need to oversee the execution to ensure their calls produce the right results.

During all three phases, adjustments can be made ("redo" loops). Using feedback and adjustments, leaders can revise calls to maximize results and outcomes. In positions of leadership, the importance of judgment calls is magnified by their impact on the lives of other people. The judgment calls that leaders make can't be viewed as single, point-in-time events. Yes, leaders do, at some moment, make a call. But unlike umpires and referees, they can't quickly forget them and move

ahead to the next play. Rather, the moment of making the call comes in the middle of a process.

Knowledge Resources

Leaders make judgment calls in relation to those around them. Relationships are crucial sources of information and must be managed to achieve desired outcomes. Leaders must use their knowledge of self, the social network, and the organization.

The quality of your judgment calls depends on your ability to get information that is relevant, meaningful, and timely; marshal resources; and interact well with constituencies. This requires four types of knowledge:

• *Self-knowledge:* Leaders who make good judgment calls can listen, reframe their thinking and give up old paradigms. Self-intelligence is an awareness of your values and aspirations.

• *Social-network knowledge:* Leadership is a team sport. There must be alignment of the leader's team, the

organization and critical stakeholders to create the ongoing capacity for good judgment calls. This is why cultivating solid relationships is crucial. Social-network intelligence involves getting valid data from your direct reports.

• *Organization knowledge:* Good leaders continuously enhance the team, organization, and stakeholder capacity at all levels to make judgment calls. Organization knowledge means knowing how people will respond, adapt, and execute decisions.

• *Stakeholder knowledge:* Good leaders engage customers, suppliers, the community and boards in generating knowledge to support better judgments. This contextual intelligence enables them to know the territory.

Three Judgment Domains

We identified three leadership judgment domains:

1. People: Leaders can't set sound direction and strategy or deal with crises without smart judgment calls about the people on their teams. Sound judgments about people require leaders to: anticipate the need for key personnel changes; specify leadership requirements with an eye toward the future; mobilize and align the social network to support the right call; make the process transparent so it can be deemed fair; make it happen; and provide support to achieve success.

2. Strategy: When the current strategic road fails to lead to success, leaders must find a new path. The quality and viability of a strategic judgment call is a function of the leaders' ability to look over the horizon and *frame* the right question and *name* the people with whom they choose to interact. Good execution and good operations aren't enough to fix a business with a flawed strategy.

3. Crisis: During crises, leaders need to have clear values and know their ultimate goals. Crises handled poorly can lead to the demise of the enterprise. Errors made in crises aren't any more likely to be fatal than errors in judgment regarding people and strategy, but disastrous consequences brought on by bad calls at these moments often come quickly.

Character and Courage

Great leaders are celebrated for their judgment. Fortunately, judgment is a skill that can be developed and refined. Good judgment is not just a matter of intellect or of the ability to make the right decision in an instant, but of character and courage:

• *Character* provides the moral compass—it tells you what you must do.

• *Courage* produces results, ensuring that you follow through on decisions.

No matter what processes you follow, no matter how hard you try, without character and courage, you can't clear the high bar of judgment. You may luck into making some good decisions and sometimes obtain good results, but without character and courage, you will falter on the most difficult and most important questions. Character and courage are the bedrock of good judgment and decisions.

When we ask leaders to list the bad decisions they've made in their lives, many of them will say: "I knew in my gut what I should do, but I didn't do it." Having a set of standards or values isn't enough. Even character isn't enough. Having the courage to act on your standards is part of what it takes to exercise good judgment, and to be a good leader. When you make the call, make it clear—and explain the rationale.

Storylines: Teachable Points of View

Winning leaders—ones who continually make the best judgment calls—have clear mental frameworks to guide their thinking. They tell visionary stories about how the world works and how they envision results. They energize and enroll people through stories. Winning leaders are teachers, and they teach by telling stories. They develop a teachable point of view: valuable knowledge and experiences that convey ideas and values to energize others. This teachable POV is most valuable when it's weaved into a storyline for future success. As a living story, it helps the leader make the judgment call and makes the story become reality because it enlists and energizes others.

Winning story lines address three areas: Where are we now? Where are we going? How are we going to get there? The inspirational storyline boosts the motivation for change and defines the goal. The storyline is never complete, as it's always being modified by the leader's judgments. But without a solid storyline, the leader's judgments are disconnected acts that may not mean anything on an emotional level. Storylines are necessary to motivate and energize everyone to move forward and make things happen. **LE**

Noel Tichy (tichy@bus.umich.edu) is a professor at the Ross School of Business, Univ. of Michigan. Warren Bennis is management professor at the Univ. of Southern California, founder of USC's Leadership Institute. They are coauthors of Judgment: How Winning Leaders Make Great Calls *(Portfolio). Visit www.usc.edu.*

ACTION: *Exercise wise judgment.*

'Lead Me Alone'
Master the seeming paradox.

by Michael Genovese and Thomas Cronin

LEADERSHIP, LIKE LIFE, IS REPLETE WITH paradoxes. Healthy individuals learn to manage the paradoxical elements in their personal life, and effective leaders manage the contradictions and paradoxes of public life.

We each have two great needs: the need to be an individual, and the need for community and connection. The need for individualism is setting off on our own course. It involves our choices of what to do, how to live, and what to us is *the good life*. We have rich choices and opportunities, and neither the unexamined nor uncommitted life are worth living. For individuals, examining choices is a key in self-discovery, learning how to cope with life's uncertainties, and to "know justice and act justly."

And yet, as powerful as is the need to become oneself, an equally compelling pull leads us in the direction of connection and community. We are political, or at least social animals, and we hunger to be a part of something bigger and more meaningful than ourselves—a family, religion, or a political community. We need others to find a sense of purpose, to win affection, and to make ourselves complete.

To be alone, to be with others—we can't escape these dual needs, and we must find ways to serve and satisfy both. To be an isolated lone wolf is to be incomplete. To give ourselves totally to the community is to be a servant of others and not master of ourselves.

Leaders recognize these dual forces—we want to be lead, yet we want to be left alone—and effectively manage the contradictions. But how?

Style Flexing

Effective leaders balance the need to be left alone with the need to be a part of something bigger. Leadership requires dealing with paradoxes and managing contradictions. Leaders with high emotional intelligence and robust empathy recognize the moods and needs of the moment, and fashion their leadership style to respond accordingly. This requires leaders capable of discerning the mood of the moment as they shape policies and appeals to deal with the context. This requires "style-flexing" —something few leaders can do. You first need to recognize the contradictions, and then devise strategies to deal with problems.

Leaders are not slaves to this dichotomy. They may educate, persuade, and move colleagues and citizens at times when the needs of society clash with the mood of the times. Indeed, one key element of leadership is to identify the needs of the times and to solve the problem at hand. Leaders are not passive observers, they must *lead*.

This requires a multidimensional leader. Lincoln was such a leader. He was arguably the most "complete" person ever to serve in the White House. He had good judgment, empathy, political skill, wit, intellect, and determination. He managed the vast contradictions of the Civil War with skill, imagination, ruthlessness, compassion, and disciplined focus. Lincoln was often the master of contradictions, not their victim. Conversely, George W. Bush is mostly a one-dimensional leader—I'm the decider" or "I'm a war president." He can't recognize the paradoxes of power, the need to integrate hard power with the softer power of enlightening, persuading, convincing and bringing people along, more often asserting than educating, and is seldom adept at managing paradoxes.
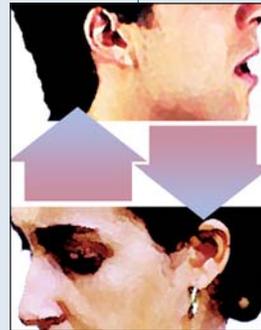
Leading amid paradoxes requires the leader to 1) read the signs; 2) adapt a strategy to the demands/needs of the times; 3) work to persuade followers; 4) devise a governing strategy; 5) manage the machinery of government; and 6) reevaluate, reexamine, and revise. Effective leaders are good diagnosticians, artful prescribers, effective mobilizers, and luminous managers.

Lead me alone; lead us together. Give me my space; bring us together. No wonder so few lead effectively. **LE**

Michael A. Genovese holds the Loyola Chair of Leadership at Loyola Marymount University. Thomas E. Cronin is the McHugh Professor of American Institutions and Leadership at Colorado College. They are co-authors of The Paradoxes of the American Presidency *(Oxford University Press).*

ACTION: *Master the paradoxes of leadership.*

Innovation Myths

It is really the game changer.
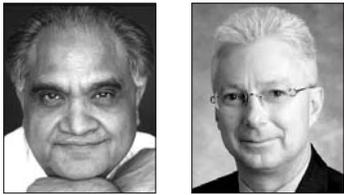
by Ram Charan and AG Lafley

INNOVATION IS SHAPING CORPORATE LIFE, helping leaders conceive previously unimagined strategic options. Most acquisitions, for example, are justified on the basis of cost and capital reduction: the merger of two pharmaceutical companies and the global rationalization of overhead and operations and the savings from combining two sales forces and R&D labs. *However, you can only buy earnings through acquisitions for so long; and cost-control is a defensive strategy.*

Innovation enables you to see many potential acquisitions through a different lens, looking at them not just from a cost perspective, but also as a means of accelerating profitable top-line revenue growth and enhancing capabilities. For example, the innovation capabilities of P&G were enhanced by its acquisition of Gillette. Its market-leading brands (such as Gillette, Venus, Oral B, and Duracell) are platforms for future innovations; and core technologies in blades and razors, electronics, electromechanics, and power storage strengthen the technology portfolio from which P&G can innovate.

Innovation also provides an edge in entering new markets. In large part, it is P&G's revived innovation capacity that is enabling it to make inroads into developing markets, where growth is greater. Innovation puts companies on the offensive. Consider how Colgate and P&G, effective serial innovators, have innovated Unilever out of the U.S. oral-care market. The company that builds a culture of innovation is on the path to growth. The company that fails to innovate is on the road to obsolescence. The U.S. domestic automakers and major companies such as Firestone, Sony, and Kodak all used to be industry leaders, even dominators. But they all fell behind as their challengers innovated them into second place (or worse).

Peter Drucker once said that the purpose of a business enterprise is "to create a customer." Nokia became number one in India by using innovation to create 200 million customers. Through observing the unique needs of Indian customers, particularly in rural villages where most of the population resides, it segmented them in new ways and put new features on handsets relevant to their unique needs. In the process, it created an entirely new value chain at price points that give the company its desired gross margin. Innovation, thus, creates customers by attracting new users and building stronger loyalty among current ones. That's a lot in itself, but the value of innovation goes well beyond that. By putting innovation at the center of the business, from top to bottom, you can improve the numbers; at the same time, you discover a much better way of doing things—more productive, more responsive, more inclusive, even more fun. People want to be part of growth—not endless cost cutting.

A Culture of Innovation

A culture of innovation is different from one that emphasizes mergers and acquisitions or cost-cutting. Innovation leaders have an entirely different set of skills, temperament, and psychology. The M&A leader is a deal-maker and transaction-oriented. Once one deal is done, he moves to the next. The innovation leader, while perhaps not a creative genius, is effective at evoking the skills of others needed to build an innovation culture. Collaboration is essential; failure is a regular visitor. Innovation leaders are comfortable with uncertainty and have an open mind; they are receptive to ideas from different disciplines. They have organized innovation into a disciplined process that is replicable. And, they have the tools and skills to pinpoint and manage the risks inherent in innovation. Not everyone has these attributes. But companies with a culture of innovation cultivate people who do.

Debunking Seven Myths

The idea of innovation has become encrusted by myths. Here are seven:

Myth 1: Innovation is all about new products. New products are, of course, important but not the entire picture. When innovation is at the center of a company's way of doing things, it finds ways to innovate, not just in products but also in functions, logistics, business models, and processes. A process like Dell's supply chain management, a tool like the monetization of eyeballs at Google, a method like Toyota's Global Production System, a practice like Wal-Mart's inventory management, the use of mathematics by Google to change the game of the media and communications industries, or even a concept like Starbucks' reimagining of the coffee shop—these are all game-changing innovations. So was Alfred Sloan's structure that made GM the world's leading car company for decades, as was P&G's brand management model.

Myth 2: Innovation is only for geniuses like Chester Floyd Carlson (the inventor of photocopying) or Leonardo da Vinci: Throw some money at the oddballs in the R&D labs and hope something comes out. This is wrong. The notion that innovation occurs only when a lone genius or small team beaver-away in the metaphorical (or actual) garage leads to a destructive sense of resignation; it is fatal to the creation of an innovative enterprise. Of course, geniuses exist and, of course, they can contribute bottom-line-bending inventions. But companies that wait for "Eureka!" moments may well die waiting. And remember, while da Vinci designed a flying machine, it could not be built with the technology available at the time.

Myth 3: Innovation is for the future. True innovation matters for the present, not for centuries hence. Another genius, Thomas Edison, had the right idea: "Anything that won't sell, I don't want to invent. Its sale is proof of utility, and utility is success," he told his associates in perhaps his most important invention—the commercial laboratory. "We can't be like those German professors who spend their lives studying the fuzz on a bee," he said.

Myth 4: Innovation is a one-time event. Generating ideas is important, but it's pointless unless there is a repeatable process in place to turn inspiration into financial performance. We see innovation as a social process. To succeed, leaders need to see innovation not as something special that only

special people can do, but as something that can become routine and methodical, taking advantage of the capabilities of ordinary people, especially knowledge workers. It is easy to put it off because you are rewarded for today's results, because you don't know where to find ideas, because innovation is risky, or because it is not easily measured. But these are excuses, not reasons. We have both practiced innovation as a process that all leaders can use and improve. It involves more people, and is more manageable and predictable than most people think.

Myth 5: Innovations happen in isolated silos or think tanks. Making innovation routine involves people. In real life, ideas great or good do not seamlessly work their way from silo to silo. No, from the instant someone devises a solution or a product, its journey to the market (or oblivion) is a matter of making connections, again and again. Managing these interactions is the crux of building an innovation organization. Innovation is a social process, and this process can only happen when people do that simple, profound thing—connect to share problems, opportunities, and learning. Anyone can innovate, but few can innovate alone.

Myth 6: Innovation can't be planned. You as a leader can map, systematize, manage, measure, and improve this social process to produce a steady stream of innovations—and the occasional blockbuster. Innovation is not a mystical act; it is a journey that can be plotted, and done over and over again. It takes time and steady leadership, and can require changing everything from budget and strategy to capital allocation and promotions. It requires putting the customer front and center, and opening up the R&D process to outside sources, including competitors. But it can be done.

Myth 7: Innovation happens in large, well-financed companies. Size doesn't matter. Innovation can happen in companies as large as P&G, Best Buy, GE, Honeywell, DuPont, and HP and as small as my father's shoe shop in Hapur, India. When I was nine years old, we targeted a line of shoes at the "rich people" largely associated with the local grain trading exchange. We became number one in town in less than two years, and the profits from this innovation funded my formal education. **LE**

A.G. Lafley is chairman and CEO of P&G, one of the most admired companies and a developer of business leaders. Ram Charan is coauthor of Execution. *Visit www.ram-charan.com. They are coauthors of* The Game Changer *(Crown Business).*

ACTION: Make innovation your game changer.

High-Impact Leaders
Here's a day in the life.

by Les Wallace and James Trinka

EVEN AS YOU DISPLAY THE BEHAVIORS and competencies of a leader, you still need to stay out of the mire and accelerate your impact. Even the best leaders fall into a trough and must find a way to re-energize and re-focus.

As we look at a day in the life of high-impact leaders, we see that they invest in five key strategies:

1. Focus. They arrive at work daily clear on the strategic transformation at which they must succeed. Eighty percent of their day is focused on the vital few priorities necessary to move the transformation agenda forward: communicating rationale, celebrating short-term wins, empowering coalitions of other leaders to keep moving. The day-to-day urgencies draw the other 20 percent of the day. However, because they have created leaders at all levels, there are fewer exigencies.

Busy is the enemy of accomplishment. High performers often have too many priorities because they feel they can cover more ground. High-impact leaders accelerate their impact, knowing they have the right priorities in the first place, by limiting their targets and focusing on the vital few three to five key strategies. By narrowing the field of impact, and then accomplishing something, leaders give hope, demonstrate movement, and energize others.

Great leaders regularly cull their commitments. Quarterly they look over their commitments and give up some. Cutting one meeting a week enables them to reinvest time and energy around the vital few priorities.

2. Relationship capital. People, not plans, deliver outcomes. Trust, encouragement, appreciation, coaching, and information are the raw materials of human effort. High-impact leaders know that one of their vital few commitments must be investing in this human capital. Leaders don't lord over their associates to manage effort—they

create availability to keep passion high and course corrections timely. How much of your time do you commit to being live in the bullpen where the action is—not to manage, but to invest in relationships? Amazing communication opportunities arise when you move among teams, reinforcing focus and showing interest in their efforts. Developing trust is a hands-on investment. People need to see the "person behind the position." So, be open about who you are, where you see the organization going, and hear out people's questions, fears, and ideas.

3. Develop others. Developing others is a high ROI behavior. This is not training. Showing an earnest interest in helping people grow, expressing appreciation in their learning and accomplishments, and helping them find greater opportunity to learn at work—this is how leadership succession becomes real. Development occurs best when applied to the challenges and opportunities of current work. In leadership development program, leaders can be seen teaching, mentoring, coaching, and advising people. Developing others also grows their competencies in communication, employee engagement, innovative thinking and leading change.

4. Permission to tinker. Why do high-impact leaders have so many breakthrough ideas? Why do they have more creative, innovative initiatives? Because they create a climate where people are comfortable challenging assumptions. Rather than being defensive when their ideas or processes are questioned, they appreciate the possibilities. They also encourage tinkering with processes and products. They encourage people to experiment and create a climate of "how can we improve" thinking.

5. Balance. High-impact leaders know they don't live to work. Despite investing long hours when required, they also navigate the work-life dilemma by making their family and personal growth time meaningful. Most high-impact leaders have a personal health regimen, build time in their year to recharge their energy, and make and keep learning commitments.

Are you waiting for permission to lead with high impact? If so, act now—you don't need permission! **LE**

Les Wallace, President of Signature Resources Inc., and Jim Trinka, Technical Training Director of the FAA, are authors of A Legacy of 21st Century Leadership.

ACTION: Encourage tinkering.

Real Innovation

Learn lessons from Pixar.

by Brad Bird

At Pixar, we're worried about becoming complacent. When I came here, Pixar had just made three hit movies—*Toy Story*, *A Bug's Life*, and *Toy Story 2*. I was coming off a film *The Iron Giant*, a highly regarded financial failure. And yet I was told, "The only thing we're afraid of is complacency—feeling like we have it all figured out. We want you to come shake things up. We'll give you a good argument if we think what you're doing doesn't make sense, but if you can convince us, we'll do things differently."

This company had nothing but success, yet invited a guy who had just come off a failure to come in and shake things up! My first project at Pixar—*The Incredibles*—was everything that computer-generated animation had trouble doing. It had human characters, hair, water, fire, and many sets. The creative heads were excited about the idea of the film, but once I showed story reels of what I wanted, the technical teams thought, "This will take 10 years and cost $500 million."

So I said, "Give me the black sheep, artists who are frustrated and malcontents who have another way of doing things but see little opportunity to try them, since the established way is working well. We gave the black sheep a chance to prove their theories, and we changed the way many things are done here. For less money per minute than was spent on the previous film, *Finding Nemo*, we did a movie that had three times the number of sets and everything was hard to do—all because the heads of Pixar enabled us to try crazy ideas.

Some purists in computer graphics are brilliant but casual about budgets and scheduling. I had to shake the purist out of them—frighten them into realizing I was ready to use "cheats" to get something on screen if they took too long to achieve it in the computer. This horrified them, but helped them understand that not all shots are created equal. Certain shots need to be perfect, others very good, and others just good enough to not break the spell.

Involved people make for better innovation. Passionate involvement can make you happy, sometimes, and miserable other times. You want people to be involved and engaged. Involved people can be quiet or loud, but they all have a restless, probing nature: "I want to get to the problem. There's something I want to do." If you had thermal glasses, you could see heat coming off them.

Team dynamics is part of innovation and creativity. In making a film, you're trying to get people from different departments to collaborate harmoniously. When I directed *The Iron Giant*, I inherited a team that was broken—a bunch of miserable people who had just gone through a horrific experience on a previous film. When the time came for animators to start showing me their work, I got everybody in a room and said, "As individual animators, we all have different strengths and weaknesses, but if we can interconnect our strengths, we are collectively the greatest animator on earth. So I want you to speak up. I'll say what I think will improve a scene, but if you see something different, disagree. I don't know all the answers. I might not have it right. You might. Show me."

One guy did just that, and I said: "That is better—great." Everybody saw that he didn't get his head chopped off. Our learning curve went straight up, and the animation team grew stronger, because we all learned from each other's strengths.

When Pixar asked me to take over *Ratatouille*, the project had been in development for five years but was not in any shape to produce. Once I was in a room with about 30 people. At this stage, the rats in the movie had already been articulated—how the muscles and controls work on the characters. Because people were worried about the audience's reaction to rats, all of the rats were designed to walk on two legs. I thought that was a mistake, so I said, "We have to get them to walk on all fours. And Remy, the protagonist rat, has to be able to walk up on two legs." Everybody said, "Ugh!" and asked "why?"

I wanted to say, "Because I'm the director—that's why." But I thought, these guys have been sent down blind alleys for two years. So I said, "This movie is about a rat who wants to enter the human world. We have to make that a visual choice for the character. That brings the audience into the character's mind." Once I gave that answer, everyone felt, "OK, we're moving toward a definite destination."

Managing Morale

The thing that has the biggest impact on a movie's budget—but never shows up in a budget—is morale. If you have low morale, for every $1 you spend, you get about 25 cents of value. If you have high morale, for every $1 you spend, you get about $3 of value. Leaders should pay much more attention to morale.

When I worked on badly run productions, I learned how not to make a film. I saw directors restricting people's input and ignoring any effort to bring up problems. As a result, people didn't feel invested in their work, their productivity went down, overtime hours increased, and the film became a money pit.

The first step in achieving the impossible is believing that it can be achieved. Once, during the making of *The Incredibles*, we had a meeting where anybody could bring up concerns. Somebody said, "Is *The Incredibles* too ambitious?" I said, "No! We need to be doing stuff that's 'too ambitious.' Once you've had some success, you don't then play it safe—you do something that scares you, that's at the edge of your capabilities, where you might fail. That gets you up each day."

If you're dealing with a storytelling medium—a mechanized means of producing and presenting a dream that you're inviting people to share—you'd better believe your dream, or else it's going to come off as patronizing. My goal is to make a movie I want to see. If I do it sincerely enough and well enough—if I'm hard on myself and not completely off base, not completely different from the rest of humanity—other people will also get engaged and find the film entertaining.

Creative Culture

To stimulate a creative culture at Pixar, in the animation area, the work space is unhinged. People can create any front to their office. A loose, free atmosphere facilitates creativity.

Steve Jobs basically designed our building. In the center, he created this big atrium area. Initially that might seem like a waste of space. He did it to prevent everybody working alone in their individual areas. Steve put the

mailboxes, meetings rooms, the cafeteria, and, most insidiously and brilliantly, the bathrooms in the center—so that you run into everybody during the day. He realized that when people run into each other and make eye contact, innovative things happen.

We also have optional classes—we call it "PU" or Pixar University. If you work in lighting but you want to learn how to animate, you can take a class on animation. Pixar encourages people to learn outside of their areas, even to move from one area to another.

Be Open in Conflict

The best leaders are somewhat subversive, because they see something a different way. My producer, John Walker, and I are famous for fighting openly: he's got to get it done, and I've got to make it as good as it can be before it gets done. On *The Incredibles* DVD, there's a moment when John says, "I'm just trying to get us across the line." And I say, "I'm trying to get us across the line in first place." I love working with John because he gives me the bad news straight to my face. Ultimately, we both win. Our movies aren't cheap, but the money gets on the screen because we're open in conflict.

What undermines innovation are passive-aggressive people—people who don't show their colors in the group but then get behind the scenes and peck away—they are poisonous. I can usually spot those people, and I weed them out.

The leaders who inhibit innovation are ones who think, "I'm here to teach you." The best leaders are never self-satisfied. My teachers in animation were the best in the world. They were masters of the form, but they had the attitude of a student.

Walt Disney's mantra was, "I don't make movies to make money—I make money to make movies." It seems counterintuitive, but for imagination-based companies to succeed in the long run, making money can't be the focus. I believe in pushing teams beyond their comfort zones, encouraging dissent, and building morale, even if it means working with "Black sheep"—restless contributors with unconventional ideas. I want my films to make money, but money is just fuel for the rocket. What I really want to do is to go somewhere, not just collect more fuel. **LE**

ACTION: Create an innovative culture.

Innovation Check-Up
Make it part of your annual physical.

by Alan Brache

INNOVATION IS THE BEST way to remain at the top of the competitive marketplace and ensure you are performing at peak. But while innovation is a hot topic, what does it really mean to be an innovative company and how can you know if you are innovative?

Innovation leads to performance. The pursuits of total quality, reengineering, and Six Sigma often yield impressive cost reductions, cycle-time reductions, and quality improvements. However, you can't streamline your way to growth. Gains in "how" you do business must be dovetailed with expanding the horizon of "what" business you are in. Companies that rely on innovative thought to advance their product development, sales, and customer service processes must ensure that they are encouraging and supporting breakthrough thinking. To facilitate profitable thinking, you can perform your own innovation health check by examining nine key variables that impact innovation and assessing how you rate in each:

1. Strategy: Do you have a clear, comprehensive, specific, compelling, well-understood, and inspiring strategy that establishes boundaries and stimulates innovation? Strategy formulation is, among other things, an exercise in innovation. And, without a clear, viable, and compelling vision, the innovation required for strategy implementation is not fomented and channeled.

2. Processes: Is innovation built into process design/redesign efforts? Do you have a process for adopting innovation? If process (re)design is limited to waste elimination, you won't gain competitive advantages. Without a process to engender, evaluate, and respond to innovation, worthwhile creative ideas are less likely to surface and be adopted.

3. Goals/measurement: Is innovation built into your performance measures for all departments and employees? If you don't measure innovation, you signal that it's not important. And, you can't determine if the strategy's innovation requirements are being met.

4. Human capabilities: Is innovation one factor you use to screen potential hires? Do you have programs that develop innovation skills and knowledge? Hiring innovative people is one way to foster innovation, but innovation skills and knowledge can also be taught, and creativity nurtured, with proper training and instruction.

5. Information/knowledge management: Do you have information systems and face-to-face communication vehicles that enable people to learn from past innovation successes and failures? Innovation begets innovation. You need ways to share creative ideas and actions that stimulate innovation.

6. Structure and roles: Do structure and roles enable innovation to blossom—or not impede the flow and pursuit of new ideas? While most firms restructure more than necessary, clarity of roles can either support or hinder the processes that deliver innovation.

7. Culture: Does your culture and its reward system encourage innovation? Culture's waterfront includes everything from the level of trust, to the willingness to share information, to the tolerance of risk, to whether meetings begin on time. One vital element of culture is the formal and informal reward-punishment system.

8. Issue resolution: Do you have ways for effectively addressing innovation issues? In a fast-changing, reverse-engineering world, one lasting competitive advantage can be an ability to build innovation into problem-solving, problem-prevention, decision-making, and plan-execution.

9. Leadership: Do your leaders recognize that they exert primary influence on the innovation climate? Are they effective role-models for innovation? Leaders must establish a strategy and ensure that innovation goals are being met, innovation is rewarded, and innovative people supported.

You can't purchase and install innovation in 30 days; however, you can define, measure, and influence it by pulling these nine levers. Whether your need is for growth through product innovation, protecting market share through competitive advantage innovation, reducing cost through process innovation, or all three, you can diagnose and close gaps in innovation. **LE**

Alan P. Brache is the VP of Client Solution Design, and member of the Executive Leadership Team of Kepner-Tregoe. Visit www.kepner-tregoe.com.

ACTION: Use this innovation check-up.

Energy = mc²

Learn to energize your team.

by David Cottrell

WE'VE ALL HEARD the term *organizational energy*, but the concept is difficult to define or measure. In defining *organizational energy* (OE), it's useful to first define what it's *not*. It is *not* just short-term enthusiasm for the latest program, or a week-long buzz that follows a weekend retreat. Although excitement and enthusiasm may be byproducts, OE is grounded in an unshakeable desire and commitment to achieve bigger and better things.

OE begins with leadership energy. The potential for increasing OE resides with everybody, but tapping into and releasing that energy is a task for leaders. If the leadership team is energized, the organization will perform at higher levels. Leader energy is contagious. Employees are inspired and passionate about achieving success; and customers become motivated to take the business relationship to the next level.

Creating energy is just the first step. Once the energy is released, leaders must then focus that energy to achieve goals. Whatever your size or mission, you can only move forward when you have an abundant supply of energy contributed by your people.

Abundant energy, enthusiasm, and momentum are often missing because of the lack of OE and the inability of leaders to sustain energy. Also, there's often poor distribution of energy. For instance, if customer service is energized, sales energy may be waning.

Knowing what it takes to generate, sustain, replenish, and leverage energy is key to long-term success. Since your OE ultimately determines your bottom-line results, you need to measure OE with the same intensity and focus you measure your bottom line.

In our examination of OE, we discovered an interesting correlation between how leadership generates energy and Einstein's equation, E=mc².

Einstein was the first to propose that mass and energy were two forms of the same thing. His deceptively simple formula laid the groundwork for the development of nuclear energy and weapons. In many ways, his theory changed the course of history.

Leadership Energy **(E=mc²)** borrows some principles of Einstein's theory and applies them to organizations: *E* represents your organization's *energy*; *M* represents *mass*—the people; and *c²* represents *your leadership energy* and its multiplier effect.

Here's how it works: Every organization has *mass*—and this mass, critical to growth and sustainability, is represented by the employees. The *critical mass* represents a point where there is enough momentum for the movement to sustain itself and even expand on its own. The critical mass is often moved by a large, sweeping fac-

tor, such as a shift in market conditions or the development of a revolutionary product. However, mass can sometimes be moved or redirected by a single element—the smallest change might bring about the greatest impact.
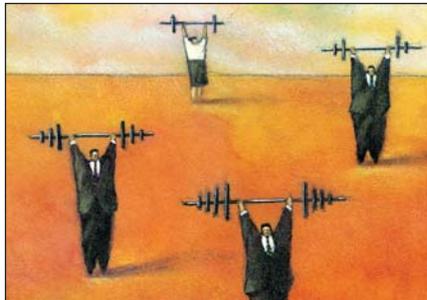
Leadership has a multiplier effect. Leadership energy must be conducted to focus on goals. There are five conductors in our equation: 1) *synchronization*—ensures that all the areas are in synch and working together toward a common goal; 2) *speed*—brings swift, decisive action if adjustments are required; 3) *communication*—connects the team to goals and ensures that everyone knows their role; 4) *customer focus*—a strong connection with customers creates customer loyalty, which provides the profits necessary for continued growth; and 5) *integrity*—ensures the organization adheres to core values like honesty and truth. Integrity is like a master switch. If it is compromised, the other conductors are unnecessary since the OE will be depleted (and the organization harmed).

When the conductors are present, the effort is converted to *pure energy*, which is then multiplied by energetic leadership, resulting in more energy!

OE can be positive or negative. Positive energy is only possible when the critical factors of success are identified and the team is focused on activities that lead to these success factors. Negative energy happens when there is lack of clarity or confusion. Confusion saps energy and prevents the organization from moving toward success.

The leader's role is to create a climate where positive energy becomes the conduit for more positive energy. When you hire the right people, surround them with support, help them direct their positive energy and be a positive role model, the positive energy level of the team increases.

Energy is not something you can see, touch, or smell. You can only see its results. The only way to measure energy is to understand the five conductors of energy. When the conductors are monitored and measured, your OE will be reflected in your bottom-line success.

Energy is essential to success. If there is no excitement, enthusiasm or passion, there's no catalyst for achievement. Your organization is a reservoir of vast energy just waiting to be released. Your task is to tap into that energy, conduct it and multiply it.

In taking on that leadership task, remember three things:

Leaders get what they do. You are the role model that your team is following. People follow leaders—more than value statements, mission statements, memos, and emails. You must continually, clearly and concisely communicate an exciting, authentic and enthusiastic vision for your people to buy into and treat as their own.

The more involved leaders are, the better their decisions. You need to be in touch with your people and involve them in decisions. Often your team is better informed than you—just ask them the right questions, and you'll find that they have the right answers.

Get the right people in the right jobs. Nothing is more important to the energy of an organization than having the right people on the team.

As a leader, you are the energizer. Keep your knowledge fresh and your attitude positive. Develop and apply new skills to accelerate your growth. Your energy is contagious! **LE**

David Cottrell is CEO of CornerStone Leadership Institute and author of Leadership Energy (E=mc²)*. Visit www.CornerStoneLeadership.com.*

ACTION: Conduct your leadership energy.

Creativity

It's the fuzzy end of innovation.
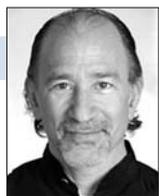
by Mitch Ditkoff

EVERYWHERE PEOPLE are talking about innovation. A Google search will reveal more than 600 definitions. The two I like the best are "The ability to adapt, alter, and adjust that which already exists for the sake of adding value" and "The commercialization of creativity." No matter how we define it, *there is no innovation without creativity*. Creativity is the catalyst, the spark, the "fuzzy front-end."

What, then, are the *pre-conditions* for creativity—the mood and mindset of creativity? While there are many models, I'm going to offer you my own. Your challenge, as a leader is to find simple ways of increasing the *pre-conditions* for creativity and innovation.

1. Attend. Creativity is free. Innate. It doesn't cost a thing, but you will have to pay something for it—your *attention*, referring to your ability to be mindful and aware of two things: What's going on *inside* you and what's going on *outside* you. Although we have five senses, rarely are we using them at all times. We look, but don't necessarily see. We listen, but don't necessarily hear. We reach out, but don't necessarily touch. Creative people are doing all three—and then some. They are tuned in, alert, perceptive, and awake. They are attuned to the world inside them and outside them. *What's going on inside?* Feelings, ideas, hunches, notions, inklings, dreams, thoughts, and visions. What's going on *outside*? Market shifts, society, culture, trends, patterns, people, and *feedback* from potential users of the product or service they are creating.

Attending to both inside and outside elements is essential. *In what ways can you pay more attention to both of these polarities—the inside and the outside?*

2. Intend. If creativity is the flower of a life, then *intention* is the root. Many people believe that without intention, there can be no creativity. More than its second cousins—hope, wish, dream, and desire—intention is the ground from which creativity springs. One reason why creativity is so flaccid in individuals (and organizations) is that there is little *intention*—and the inten-

tion that exists is often a simulation of the real thing—upwardly mobile fast trackers inheriting someone else's vision, strategy or ideas, but not in touch with their own inspiration.

To spark innovation, you need to get in touch with your intention—what really moves you. Intention can take many forms—to change, to improve, to think out of the box. Whatever form it takes, your effort needs to be more than cerebral or politically correct—it needs to be primal, tidal, core.

What is fascinating you these days? What is moving you? And in what ways can you help others get more deeply in touch with their intention to innovate?

3. Suspend. Einstein said, "Not everything that can be counted counts; and not everything that counts can be counted." He was referring, of course, to the creative part of the human being—the mysterious, inner dimension long considered the fountainhead of genius, breakthrough, and possibility. Children live in this place. The rest of us only

visit, preferring the left-brained world of rationality, logic, and analysis. On some level, we all need proof. And while there is nothing wrong with gathering data, an addiction to it often subverts our natural creativity. We know this. That's why we go to the movies, the pub, watch TV, fantasize, read novels, and daydream. Whenever we have some down time, we seek an altered state—one that is free of the tyranny of logic. That's why movie makers ask us to suspend disbelief. That's why brainstorm facilitators ask us to suspend judgment. And that's why women (innately intuitive as they are) ask the men in their lives to stop being so practical for a change and actually *feel* something. It is in this state of suspension that our innate creativity percolates to the surface—over, under, and around all the left-brained guardians at the gate.

What can you do this week to suspend practicality and entertain a new possibility—even if all the data hasn't been collected? In what ways can you encourage your direct reports to do the same?

4. Extend. Usually, when a person has a creative breakthrough, there is

an element of *stretching* involved—the effort required to go beyond existing boundaries and extend into an unknown future. Surfers "hang ten." Astronauts "push the envelope." Ski jumpers lean far out over their skis. Most people don't want to extend much because it's uncomfortable, risky, and subject to ridicule. But rarely is there breakthrough without extension. Golfers use the expression "never up, never in" to describe what it takes to be a good putter. Meaning? You have to putt the ball *far enough* to have a chance of getting it in the hole. Bottom line, if you want to break new ground, you will need to go for it. You will need to stretch, extend beyond your normal ways of thinking and doing. In the lucid words of writer Arthur Koestler, "If the creator has a purpose in equipping us with a neck, he surely would have meant for us to stick it out."

In what ways, this week, can you extend beyond your normal limits and take a bold step forward with your hottest new idea?

5. Connect. True creativity rarely happens in a vacuum. On the contrary, it is the product of two or more variables connecting in new and meaningful ways. It happens all the time in nature. Water, for example, is really just the connection between hydrogen and oxygen. It happens in the human realm, as well. Roller-blading is nothing more than the connection between ice skating and roller skating. MTV is nothing more than the connection between music and television. Drive-in banking is car + banking. The originators of these breakthrough products and services didn't pull rabbits out of hats. All they did was see a useful, new connection between *already* existing elements—and then made the sustained effort to commercialize their newly conceived connection. Why don't more of us make such connections? Because we stay with what we know. We live in a box—whether that box be defined by our nationality, profession, concepts, cubicle, gender, or industry. The more we get out of that box—or, at the very least, *see* beyond it, the more likely it will be that powerful new connections will reveal themselves to us. If you want a breakthrough, it's time to start looking for new connections—uncommon linkages between this, that, and the other thing. *Who (or what) do you need to connect with in a new way in order to jump-start innovation.* LE

Mitch Ditkoff is President of Idea Champions and author of Awake at the Wheel. *Visit www.ideachampions.com or www.awakeatthewheel.info or call 1-800-755-IDEA.*

ACTION: Set the preconditions for creativity.

Balanced Leaders

B a l a n c e   a f f e c t s   e f f e c t i v e n e s s .

by Terry Bacon

OVER THE YEARS, I have studied leadership in an effort to determine how and why executives succeed or fail. We've identified 25 psychological constructs that are the basis for constructive leadership, and learned that failed executives show predictable behavioral patterns that cluster into 19 "dark-side" personality types or behavioral patterns. These dark-side behaviors are distortions of behaviors that, in moderation, are normally positive and effective.

From this research, we evolved a *Balanced Leadership Construct* to guide leadership development and leadership effectiveness. For example, if you have a low score on self-awareness, you likely spend little time in introspection and self-development. You base your decisions on the facts, and are poor at managing "people problems." Your lack of empathy means that, as far as people are concerned, you just don't get it. You know that when people are disengaged or feeling abused, they won't work as hard or contribute as much. So, you might modify your behavior enough to improve, but you'll likely never become an inspiring leader of people.

Balanced Leader Construct

We identified 25 psychological constructs that, in balance, are the basis for constructive leadership. Extreme highs or lows on any of the 25 constructs can result in unproductive or destructive leadership behavior. Twelve constructs relate primarily to the leaders' "self-constructs"—to their individual psychological makeup. Eight constructs deal with how leaders interact with other people—the "Other Constructs." Four of the remaining constructs are "Performance Constructs," and the final one deals with "Vitality."

Twelve Self Constructs. Leadership is highly personal because leaders exercise their will and often take risks in pursuit of a personal vision, needing to influence others to follow them. These 12 self-constructs pertain to the leader's self: 1) *Self-concept:* Balanced leaders are aware of how they think and feel. 2) *Self-interest:* Effective leaders have balance between self- and other-interests. 3) *Self-awareness:* Balanced leaders know their feelings; attend to thoughts, intuitions, and emotions. 4) *Sense of security:* Leaders with a balanced sense of security behave confidently. 5) *Risk tolerance:* Balanced leaders approach risk in a realistic and calculated manner. 6) *Autonomy:* Balanced leaders are appropriately independent without being uncooperative. 7) *Rational/emotional balance:* Balanced leaders rely in differing degrees on logic and feelings to make decisions. 8) *Detail/big picture focus:* Balanced leaders integrate abstract and concrete thinking. 9) *Constancy:* Effective leaders are consistent and dependable. 10) *Need for achievement:* Balanced leaders recognize the need for achievement and affiliation.

11) *Need for power:* Leaders with balance see the need for power and influence, but they don't need to dominate every situation. 12) *Integrity:* A leader with balance has integrity; tells the truth; has strong, positive values; and accepts and behaves according to standards of ethics.

Eight People Constructs. The eight People-Constructs pertain to how leaders relate to other people: 1) *Need for affiliation:* Leaders with balance seek harmonious relationships. 2) *Trusting of others:* Effective leaders place appropriate trust in the people working for and with them. 3) *Empathy:* A balanced leader is sensitive and considerate, but also mature in his/her view of other people, appreciating their strengths and weaknesses. 4) *Equity:* A balanced leader has a strong sense of fairness and avoids playing favorites. 5) *Appraisal of others:* Balanced leaders are neither too lenient nor too harsh in their appraisal of others. 6) *Candor:* A balanced leader is frank and straightforward, especially when dealing with tough issues. 7) *Generosity:* Balanced leaders are good-natured and soft-hearted. 8) *Cooperation:* Balanced leaders share ideas, receive ideas openly, consider others' points of view, participate in and support team efforts, and work collaboratively with peers.

Five Performance Constructs. These constructs pertain to how balanced leaders approach work: 1) *Conscientious:* Balanced leaders possess a solid work ethic and performance standards. 2) *Handling of conflict:* They accept conflict as natural and inevitable; they handle conflict well. 3) *Communication:* Balanced leaders communicate appropriately in the right forms to the right people at the right level. 4) *Management:* They are effective managers. 5) *Vitality:* They have high vitality, a huge capacity to develop and manifest considerable physical and intellectual vigor or energy.

The Dark-Side Model

We identified 19 dark-side archetypes:
Nine Extremist Archetypes. These nine types of leaders exhibit extreme behaviors that derail them: 1) Mr./Ms. Nice Guy—excessively benevolent; 2) My Way or the Highway—excessively entrenched; 3) Mr. Data—excessively logical; 4) It's My Baby—excessively possessive; 5) Ostrich—excessively detailed; 6) General MacArthur—excessively independent; 7) Mule—excessively stubborn; 8) Might Is Right— excessively domineering; and 9) Power Play—excessively controlling.

Four Deceiver Archetypes. These leaders are self-interested: 1) Crooks—excessively self-interested; 2) Coke Heads —excessively dependent; 3) Short Cuts— excessively manipulative; and 4) Pinocchios—excessively ambiguous.

Six Bridge-Burner Archetypes. These six types of leaders have a history of negative relationships: 1) Duelists—excessively aggressive. 2) Passive-Aggressive—excessively conflict-averse; 3) Sledgehammers—excessively harsh; 4) Users—excessively one-sided; 5) Job Hoppers—excessively transient; 6) Egomaniac—excessively vain.

Healthy leaders have a balanced psychological profile, enabling them to behave sensibly and avoid problematic extremes. This balanced leader framework provides a way to understand leader behavior and identify areas for targeted leadership development. **LE**

Dr. Terry Bacon, Ph.D., is CEO of Lore International Institute. Visit www.Lorenet.com.

ACTION: Build balance and avoid the dark side.

Haphazard Hiring

What do job interviews tell us?

by Malcolm Gladwell

IT IS A TRUISM OF THE new economy that the ultimate success of any enterprise lies with the quality of its people. At many technology companies, employees are asked to all but live at the office. The artifacts of the prototypical Silicon Valley office—the videogames, the espresso bar, the bunk beds, the basketball hoops—are the elements of the rec room, not the workplace. And in the rec room you want to play only with your friends. But how do you find out who your friends are?

Today, recruiters canvas the country for résumés. They analyze employment histories and their competitors' staff listings. They call references, and then sit down with a perfect stranger for an hour and attempt to draw conclusions about that stranger's intelligence and personality. The job interview has become one of the central conventions of the modern economy. But what, exactly, can you know about a stranger after sitting down and talking with him for an hour?

A person watching a two-second silent video clip of a teacher he has never met will reach conclusions about how good that teacher is that are very similar to those of a student who sits in the class for a semester.

Apparently, human beings don't need to know someone in order to believe that they know someone. The power of first impressions suggests that human beings have a particular kind of pre-rational ability for making searching judgments about others.

What we are picking up in that first instant would seem to be something quite basic about a person's character, because what we conclude after two seconds is pretty much the same as what we conclude after 20 minutes or, indeed, an entire semester.

If these clues or cues are immediately accessible and apparent, we are talking about the existence of a powerful form of human intuition. In a way, that's comforting, because it suggests that we can meet a perfect stranger and immediately pick up on something important about him. It

means that I shouldn't be concerned that I can't explain why I like a certain candidate, because, if such judgments are made without thinking, then surely they defy explanation.

But there's a troubling suggestion here as well. I may believe that a person I meet is an accomplished and likable person. But I have no idea how honest he is, or whether he is self-centered, or whether he works best by himself or in a group, or other fundamental traits. That people who simply see the handshake arrive at the same conclusions as people who conduct a full interview also implies, perhaps, that those initial impressions matter too much—that they color all the other impressions that we gather over time.

For example, if I decide that I like a candidate and then see behavior that conforms with my expectations, what I hear in his answer is toughness and confidence. Had I decided early on that I didn't like him, I would have heard in that reply arrogance and bluster. The first impression becomes a self-fulfilling prophecy: we hear what we expect to hear. The interview is hopelessly biased in favor of the nice.

When we meet a person, we look at the way he behaves in our presence—at the way he talks and acts and seems to think—and predict how he'll behave in other situations. Are we right to do so?

Behavior in one setting tells you little about how he would behave in a different setting: from how he behaves at lunch, you can't predict how he'll behave at playtime. How neat her assignments are or how punctual she is tells you almost nothing about how often she attends class or how neat her room or personal appearance. How we behave at any one time has less to do with some immutable inner compass than with the particulars of our situation.

This conclusion, obviously, is at odds with our intuition. Usually, we assume that people display the same character traits in different situations. We underestimate the large role that context plays in people's behavior.

Psychologists call this tendency—to fixate on supposedly stable character traits and overlook the influence of context—the *Fundamental Attribution Error*. And if you combine this error with snap judgments, the interview becomes even more problematic. Not only do you let your first impressions color the information you gather, but you assume that the way he behaves with you in an interview is indicative of the way he would always behave. It isn't that the interview is useless; what you learn about the candidate is something you can't get from a résumé or references. It's just that the conversation turns out to be less useful, and potentially more misleading, than you suppose. The most basic of human rituals—the conversation with a stranger—turns out to be a minefield.

If we are not people who are shy or talkative or outspoken but people who are shy in some contexts, talkative in other situations, and outspoken in still other areas, then what it means to know someone is to catalogue and appreciate all those variations.

The "structured interviewing" technique is the only kind of interviewing that has any success in predicting performance. In the structured interviews, the format is fairly rigid, applicants are treated in the same manner, questions are scripted, interviewers are carefully trained, and each applicant is rated on a series of predetermined scales.

Structured interviews have narrow objectives. Interviewers are seemingly uninterested in arriving at a sense of a person—the interview isn't about getting to know someone. It's as much concerned with rejecting information as it is with collecting it.

Most employers reject the structured interview. For most, hiring someone is a romantic process; the job interview functions as a date. We're looking for someone with whom we have a certain chemistry, even if the coupling that results ends in tears and the pursuer and the pursued turn out to have nothing in common. We want the unlimited promise of a love affair. The structured interview seems to offer only the dry practicality of an arranged marriage. **LE**

Malcolm Gladwell is the author of Tipping Point *and* Blink. *Visit www.MalcolmGladwell.com.*

ACTION: Improve your interviewing process.

Mission Control

A l i g n   p u r p o s e   a n d   g o a l s .

by Marshall Goldsmith

ON THE SURFACE, "purpose" and "goal" seem to be similar, if not synonymous, terms. But in parsing the definitions, we discover they're very different concepts.

• *Goals are specific objectives we strive to achieve*, usually within defined parameters of space, time and resources.

• *Purpose is the "why" behind any thought or deed.* Purpose is not about achieving a goal—it's more of a way of life. Purpose is enduring, whereas goals can be created, adjusted and discarded.

You can see the variation between purpose and goals in what you do at work. *Goals* can be the targets you set regarding the recruitment, retention, development, and progression of your workforce. *Purpose* should be what the goals serve. You set targets to achieve a greater overarching aim, one that benefits all stakeholders. For instance, you wouldn't bring in 1,000 employees just to grow your workforce; but you might bring in 1,000 employees to ensure the success of a new growth opportunity.

We often confuse our goals with our purpose. For example, I once taught a leadership development session for executives and their spouses or partners. In the session, executives learned that their partners often felt ignored or put in "second place" compared with work. Many executives had clearly let their goal (make a lot of money) become more important than their *purpose* (create a great life for themselves and their families).

The distinction between a goal and purpose can be lost on managers. For example, a friend of mine left consulting to become the VP of HR for a corporation. He reviewed a study of their employee benefits and found some were costing the company millions of dollars and delivering little that the employees valued. When he suggested cutting the benefits to save money, he was told he was "confused." His boss noted that cutting these benefits would mean a smaller budget and less power for the HR department. In building their empires, they had forgotten about making a ROI for their stockholders.

Company purpose should come before departmental goals. Yet many leaders become fixated on goals in their struggle to meet tight deadlines with finite resources. The solution is simple, but not easy. It requires honest, perhaps painful, reflection. Review your goals and ask: "What goals are consuming my time and energy and the company's resources?" Rank your goals in terms of *cost to achieve*. Then rank your goals in terms of *contribution to purpose*. When you find clear discrepancies, you need to step back and realign your goals with your purpose—doing what really matters (and stop doing what doesn't matter).

Stop in the Name of Leadership

Once I heard Peter Drucker say: "We teach leaders what to *do*. We don't teach leaders what to *stop*. Half the leaders I

meet don't need to learn what to do. They need to learn what to stop."

Have you ever attended a training session entitled *Stupid Things We're Doing That We Need to Stop Doing?*

Or, has your CEO ever discussed his negative traits and his efforts to stop destructive behavior? Can you even imagine your leader admitting a fault and outlining his aim to stop doing it?

Probably not. Leadership behaviors are designed to demonstrate a commitment to positive action—we will *start* listening to our customers (rather than *stop* talking about ourselves). Recognition and reward systems are designed to give credit for doing something good—not for ceasing to do something bad. Yet, they are two different sides of the same coin.

Think of times you've seen colleagues go on a sales call, return with an order, and regale anyone who'll listen with a blow-by-blow account of how they *closed the deal*. But what if, during

that sales call, they crunched some numbers and realized they were about to agree to a deal that cost the company money? What if they decided to stop negotiating and say "no" to the deal? Would they rush back to the office and brag about the bad deal they avoided?

Hardly. Avoiding mistakes is an unseen, unheralded achievement, and yet, averting a bad deal or bad hire can affect the bottom line more than scoring a big sale. Stopping negative behaviors and actions gets no attention, but it can be as critical as anything you do. As you evaluate your performance, consider the impact of what you are not—or should not be—doing.

Sharing Is Caring

Communication breakdowns hinder operations. Why do these lapses happen? How they can be avoided?

Today, knowledge is power, which makes withholding key data very counterproductive. Suppressing vital information lowers value. This becomes a big problem whenever people take their competitive nature too far. It's the same old need to win, only more underhanded. People take the phrase "knowledge is power" too literally, thinking the object of the game is to hoard as much information as possible.

The problem with willfully withholding information, though, is it rarely achieves the desired effect. You might think you're gaining an edge and consolidating power, but you're breeding mistrust and disdain. To have real power, you need to inspire loyalty rather than fear and suspicion.

Often we withhold information in unintentional or accidental ways—when we're too busy to get back to people with information they need, when we forget to include someone in our discussions or meetings, or when we delegate a task but don't show or explain to people exactly how we want the task done. If you don't see why any of that annoys people, reflect on how you feel when no one tells you about a meeting, sends you an important e-mail or memo, or makes you the last person to know about something.

Usually, we don't withhold information out of malice; rather, we do it because we're clueless (but the impact on people who are affected is similar).

Have the Courage to Ask

Peter Drucker once observed, "The leader of the past knew how to tell; the leader of the future will know how to ask." If you manage *knowledge workers* —people who know more about what

they're doing than you do—you know that it is hard to tell them what to do and how to do it! You need to ask, listen, and learn from everyone around you. As Peter stated: "Start by asking the question, 'What needs to be done?'"

Leaders who ask co-workers to provide suggestions, listen to them, learn from them, and follow-up are seen as becoming more effective. Also, external customer satisfaction goes up when customer service reps ask, listen, learn, and follow-up. When people ask you for your input, listen to you, try to learn from you and follow-up to see if they are getting better, your relationship with them invariably improves.

So, why don't leaders ask? One reason is our inflated ego. When I ask leaders to rate themselves relative to their peers, about 60 percent of them rank themselves in the top 10 percent; almost 85 percent say they are in the top 20 percent; and over 98 percent claim to be in the top half! Their performance has little to do with their self-assessment!

When you become successful, you are often delusional about the reasons for your success. You tend to attribute good results to your own motivation and ability and tend to attribute poor results to environmental factors, bad luck, or random chance. When you over-rate your performance, you can easily justify not asking others for input.

A second reason why leaders don't ask is fear. Once I asked a VP of Customer Satisfaction, "Should you be asking your key customers for feedback?" "Of course!" he said. "Then, why don't you do it?" He admitted, "Because I am afraid of the answer."

As a leader, start asking key coworkers: "What needs to be done?" Thank them for their input, listen to them, learn as much as you can, incorporate the ideas that make the most sense, and follow-up to ensure that real, positive change is occurring.

Ask, listen, and learn from everyone around you. You can learn more about what you most need to know from your key stakeholders than you can from consultants. Also, ask the people whom you love how you can be a better partner, friend, or parent. Listen to their ideas. Don't get so busy with work that you ignore the most important people in your life. To improve your relationships, you need to ask for people's opinions and then follow up and do something about what you learn. **LE**

ACTION: Start asking, "What needs to be done?"

Corporate Gravity
Escape its powerful pull.

by Steven Barry

Have you ever felt corporate gravity? It's the powerful inertia of habits or history that prevents new ideas from surfacing. You hear it in phrases such as "not invented here" and "already tried that—didn't work."

Corporate gravity can secure efficiency, but it unintentionally defines what is *im*possible—and that's a problem for growth leaders. Corporate gravity often affects the decision-making process, as leaders tend to get conservative. However, as Andre Gide said: "One doesn't discover new lands without consenting to lose sight of the shore for a long time."

Have you ever *fought* corporate gravity? Does the Law always win? We find that successful growth leaders are more likely to challenge the status quo. When doing so, risk is involved—for both leader and company. Business risk can be mitigated with strategic alliances or other means. The personal risks of challenging the status quo are more difficult to navigate. Depending on your culture, the risks for you and your team could be imaginary—like figments of failures past—or very real.

Four Things You Can Do

In facing corporate gravity, growth leaders are like space travelers who fight Earth's gravity. Space travel is a forward-thinking endeavor. Growth leaders also think and forge ahead in ways not clear to everyone at the time.

Consider these four points next time you challenge corporate gravity:

1. Be clear about the vision and intent of a new growth initiative. U.S. President John F. Kennedy challenged NASA to put a man on the moon and return him safely to Earth by the end of the 1960s. He outlined the importance of this feat in the context of long-range exploration of space and its meaning to mankind. Kennedy didn't know how it would happen; the technology had not yet been invented. Still, he outlined the vision and intent of the initiative and provided the resources.

Similarly, leaders must be clear about the need to grow new business and look beyond mere incremental change. Their vision and intent must proactively address the question: Why change? They must provide meaning. Leaders can then provide the necessary resources and remove whatever might restrain people from thinking beyond established brands or business models. If leaders aren't clear about the vision and intent, new investments and growth opportunities tend to be confined by the boundaries of what people perceive to possible.

2. Conduct, and learn from, experiments. Just as astronauts perform experiments, leaders also often challenge the status quo by performing experiments—particularly in static, mature, organic growth situations. One of our clients, a regional VP of a global consumer products company that is driving growth by expanding in Asia, has a mantra: "Make a little, sell a little, learn a lot, and fail cheap." High-performing companies value learning.

3. Realize that reentry can be the most dangerous part of the journey. Teams involved in experiments usually feel excited and energized by a new way of thinking. However, challenging the status quo is threatening, and the response is rarely what the teams expect. One thing leaders can do is protect the thinkers more than they protect the idea itself.

4. Be prepared to fire your booster rockets. As the space shuttle blasts off and fights gravity, great energy boosters are fired in different phases. The same applies for growth leaders. If the experiment meets with initial acceptance and gains steam as a change initiative, the leader's energy reserve will be tested. Energy must be maintained during inevitable changes. Similarly, growth leaders must expect the initiative to plateau. "Boosters" should be held in reserve to reaccelerate the initiative and sustain growth. For example, milestones might be set (during launch and later) as natural "breaks" to be celebrated and consolidated within the context of continuing change.

With the right approach and proper planning, growth leaders can overcome even the laws of corporate physics. **LE**

ACTION: Overcome resistance to change.

Light Leadership

Levity has an image problem.

by Adrian Gostick and Scott Christopher

AH, LEVITY. FOR SUCH A SEEMINGLY whimsical concept, it's amazing what criticism it engenders in business. In the training and coaching we conduct, we can't seem to get past the opening hellos before someone brings up the "dark side" of fun and humor: *"You can get too much of a good thing." "People won't take their jobs seriously." "Mandatory fun is no fun at all." "My boss tries to be funny, but it's embarrassing." "I'm not humorous, and I never will be."*

After a few minutes of furrowed brows and volatile verbal exchanges, we conclude that we are either dead wrong about levity, or we've accidentally been booked to speak at the annual meeting of Death Row Clergymen. Just as we're ready to surrender our mission to the scoffs and derision, we discover the best excuse to pursue the topic: The converted.

These loyal levity believers swim upstream through the flow of conference attendees exiting after we have concluded our presentations, nodding their heads and shaking our hands as if we're the handle on the last water pump in the Sahara. "Thank goodness you came, that was fantastic," they'll say. "My colleagues needed to hear this message; we're so bad at this stuff."

As champions of fun at work, they are among those who chose to lead with the Levity Effect. And thankfully for us, they aren't just a few nuts relegated to back-office jobs. They are some of the most successful, trusted, innovative people. They are living proof that levity is a real, positive, and valuable business practice.

Here's what they've discovered: With low unemployment rates and fierce competition for great talent, fun at work can provide a competitive advantage, help attract and retain employees, and provide the spark to jumpstart creativity. Sure, it may be hard to measure the ROI of go-cart outings, dress-up contests, or a perfectly timed punchline, but the leaders we interviewed attest that fun is an essential component of their people, business, and innovation strategies. In short, people tend to stay, stay committed, and give more energy to an organization where good times are injected into work.

Moreover, managers who lead with levity benefit from higher employee engagement and personal financial success. You have likely known a leader like this at some point. Maybe you had a boss who was genuinely funny, cracking an hilarious comment now and then to loosen everyone up. Or maybe you had a boss who wasn't that much of a punster or a quick-quip artist, but she encouraged the group to get a little silly once in a while. She may not have been Paula Poundstone, but she was authentic, genuine, and light-hearted and let people be themselves.

And at its core, that's what levity is about. It's not only about having fun at work. It's not just about being humorous. It's not so much about being funny—it's about being fun.

The remarkable case for levity at work is growing, with the most convincing numbers culled from more than a decade of research by the Great Place to Work Institute: "Great" companies consistently earn significantly higher marks for "fun."

Each year, the Great Place to Work Institute asks people to rate their experience of workplace factors including, "This is a fun place to work." On *Fortune*'s 100 Best Companies to Work For list, produced by the Great Place to Work Institute, employees in companies that are denoted as "great" responded overwhelmingly—an average of 81 percent—that they are working in a "fun" environment. Employees at the best companies are also having the best time. At the "good" companies—those that apply for inclusion but do not make the top 100—only 62 employees out of 100 say they are having fun.

Need more evidence? As you know, turnover can cost organizations millions every year in lost productivity, recruiting costs, and other expenses (one study estimates that turnover for each employee is 150 percent of salary).

In 2007, at our request, the research firm Ipsos conducted a 1,000-person national survey of working adults to measure the effect a manager's sense of humor has on employee retention. In the survey, participants were asked to rate their bosses' sense of humor, and in another part of this survey they were asked how likely it was that they would be working for their employer a year from now. Employees who rate their managers' sense of humor as "above average" (a score of 7-10), rate the likelihood that they will be on the job a year from now at 90 percent, but those who rate their managers' sense of humor as "average" or "below average" on sense of humor rate their chances of staying at 77.5 percent.

According to Tim Keiningham, senior VP of Ipsos Loyalty, "The connection is not an anomaly. There is a significant correlation between your manager's sense of humor and your willingness to remain with an organization."

So, what is levity? Levity means being light, buoyant even. The problem is, that doesn't sound very desirable in business. After all, who wants a lightweight, bouncy, goof-off handling finances, piloting their plane, or addressing issues with upset customers? It's no wonder that fun gets a bad rap. So, let's be clear.

Levity does not mean silly, inane, or distracting. *Levity is a way of improving a workplace, a presentation or a relationship that can change your work and your life for the better.*

The word is derived from Latin, *levitas*, the same root for the word *levitate*. And that's the secret to levity. It raises things. And while some people may distrust it, when things get tense, drab, slow, stressful and boring, a fork-full of levity can mean the difference between working cohesively towards a goal and being hindered by contention.

Of course, we make no claims that levity will fix a toxic culture, make up for poor pay practices, improve your products, or make your workplace safe. If you lack those basics, fix those first.

But most organizations have the basics down. They are simply looking for something more to give them the competitive advantage. Something that provides a differentiator or edge.

So go ahead—lighten up.　**LE**

Adrian Gostick and Scott Christopher are authors of The Levity Effect. *Visit www.levityeffect.com.*

ACTION: Enjoy a little levity in your leadership.

Go for the Gold

Take seven actions to lead change.

by Eddie Erlandson, Kate Ludeman and Catherine Ludeman-Hall

FOR SOME MANAGERS AND THEIR WORK groups, everything they do seems to result in gold-medal performance. Roadblocks appear to fall away. Goals are achieved even when opportunities or resources are slim, or conditions are rapidly deteriorating. They have an uncanny ability to sell new ideas and get buy-in for new approaches that give them a competitive advantage. They consistently do the right thing at the right time. Breakthrough performance occurs beyond anyone's expectations, meeting customer needs ahead of competitors. Like gold-medal teams, they find a way to work together, communicate effectively and combine their efforts to reach the goal.

What prevents your team from reaching gold-medal status? You know your staff is talented, but certain people seem to underachieve. You have a hard time convincing your peers to support your innovative ideas because they have little confidence your team can deliver. Meanwhile, your team thinks you don't support them, and you can't get the resources you need. It seems that even a bronze medal could be a stretch for your team.

Why aren't you the one who rewrites the rules when times change? You may be so deeply involved in daily fire-fighting that any new ideas seem impractical. Or you may feel worried about your staff's willingness to adapt to a proposed change; rather than lead them into different thinking, you become their advocate for the status quo.

Here's what you need to do to take the reins of change and be heralded as a highly accountable, results-oriented leader who leads their team to gold.

What Holds You Back?

Ask yourself these three questions:
Am I a "pleaser," without the ability or willingness to follow-through in action? When you avoid saying "No," you risk over-committing what you and your staff are capable of doing. Don't think your "yes-saying" is some sort of noble sentiment of wanting to serve. Motivation for "pleasing" people generally springs from fear of upsetting them by not saying what they want to hear. Being too agreeable hurts your relationships and your credibility in the long run. Are you striving for gold for your team or to impress someone else?

Do I avoid planning and, instead, rely on the "wing it" approach, assuming that "things always work out?" This set of habits often results from procrastination and last-minute-itis, leading to unnecessary stress. Reflect for a moment to see if your avoidance is actually a fear of exerting your influence, thus leaving yourself open to

negative feedback about your plans. Or are you are afraid to fully invest yourself? A great fallback is always, "I did the best I could, given I only had the last two days to work on it." Then if it's not good enough, you've already got the perfect explanation lined up. How much preparation and planning goes into gold-medal performances?

Am I afraid to seek help or advice from others because this brings up my own failure to "think of everything," leading to feelings of inadequacy? Examine the last few decisions you made in challenging situations and find the common thread in your decision not to reach out to others for their guidance and input. *Do I avoid change by keeping my head in the sand, "wishing away" the reality of a changing world?* It's hard to face this particular trait but many people focus more on finding reasons to justify not making a change than aligning their organization around the need to change and then driving it to conclusion. Even Olympic gold medalists have coaches, and usually, often more than one.

Achieving Results, Leading Change

Now take these seven actions:
1. Only make commitments you intend to keep. You may not know how you'll get to the end result and meet the schedule constraints, but make sure that you're committed to deliver, no matter what it takes. You will build a reputation for being reliable and acting with integrity. No one ever won a gold medal without first committing to do so.

2. Plan carefully for success. Get agreement from your group and managers on goals, strategy, and measurements. Estimate and negotiate resources needed to achieve goals, and make a game plan.

3. Don't do it alone. Combat isolation by collaborating with others to identify cross-functional issues that emerge from change. Form teams to capitalize on change. Make improvements across organizations. Find reliable coaches and teammates who will help guide you to the gold.

4. Work with your group to identify roadblocks. Identify allies who may help diminish barriers to implementing the ideas, and build contingency plans if insurmountable barriers arise.

5. Anticipate change. Set plans each year based on multiple scenarios rather than single forecasts. Operate with three different forecasts of key conditions that impact your operations, and position yourself across the uncertainty of which scenario might occur.

6. Take charge of chaos. Propose incremental and breakthrough changes, including details of purpose, scope, resource requirements, milestones, measurement systems, and implications. Show the benefits of short-term successes and long-term wins that support the company's direction.

7. Own your contribution to problems and unexpected glitches. Someone may not have done something you expected, but look first at your communication about your expectations, not at their failure. By role modeling ownership and accountability, your own team will begin to claim their contribution to problems, speed up learning, and go for the gold. **LE**

ACTION: Model ownership and accountability.

Leadership Roles

Design firms to grow talent.

by Amy Kates

THE MOST POWERFUL element in a succession plan is the set of experiences that develop managers on the job. Nothing prepares someone to take on a leadership role better than a stretch assignment with the right support and feedback. Ideally, experiences vary by scale (size of responsibility), scope (type of skills or knowledge needed), geography, and stage of the business (turnaround, growth, or start-up). And, they're complemented by the conceptual frameworks, coaching, and skill building that turn experience into applied wisdom. Such development builds executives who can take on new challenges in various contexts.

Unfortunately, many organizations fail to prepare their managers to grow into executives with broad responsibility. Many companies face a talent gap at their senior ranks because leaders are designing their organizations —and key roles—to get today's work done, but not with an eye to growing leaders. They are missing a chance to bring talent management, succession planning, and organization design efforts together into one system.

Companies can't just compete on being a low-cost provider, or by creating products with cutting-edge features. They must have excellent products distributed through multiple channels, *and* products reconfigured in faster ways to meet changing customer needs. They must do this cost effectively *and* often across geographic borders. The result is fewer organizations structured into clear product divisions staffed by strong general managers with end-to-end responsibility for business results. Rather, we see multidimensional companies composed of fragmented roles, with managers operating in complex matrix relationships and struggling to get their work done through persuasion over resources they don't control. Roles such as account managers, program managers, brand managers, operations effectiveness, and product development managers can carry large responsibility, but have a narrow scope of authority.

These models put a premium on leaders with strong integration, team, and influence skills. Such skills enable larger companies to quickly marshal resources to address opportunities and problems without losing out to smaller, more nimble rivals. But many companies fail to ensure that these senior managers are in jobs that are developing them to be more than just good team players. Such managers need jobs that have complex accountability, and then they need to be rotated across roles in a way that gives them a breadth of experience—domestic and international, functions and product units, customer facing front-ends and operational back-ends, and corporate and field positions.

Without this attention to planned development—of the roles and the people in them—organizations find the

bench is thin when they have an opening near the top that requires a candidate with broad experience in various settings from jobs big enough to test both strategy and execution skills.

Four Criteria

Next time you consider change, add one more lens to your evaluation of options. You'll already be asking "how do we staff these new or changed roles?" Also ask, "Can we shape these roles to grow our talent?" Look at the two levels below the leader and assess the roles against four criteria:

1. Variety. Are the people who get promoted into top spots all of one type, such as functional experts, or from one function, such as sales or marketing? Have you designed the jobs to require such deep expertise that you could not imagine a non-expert filling them? Could you imagine people rotating laterally to gain breadth of experience?

For example, in one IT group, two-thirds of the leaders were account managers—the rest were technical experts. The technical experts were not being prepared to manage a business portfolio. Nor did the account managers have anywhere to go.

2. Breadth. Are the jobs too narrow? Sometimes expertise is required. You may want a finance expert to be the head of finance. But even positions that require deep technical knowledge can be designed to give "extra-role responsibility" to create opportunity to stretch and develop the manager. For example, one head of finance was also given responsibility to run a small product division. He gained 18 months of operational experience, and the account-abilities for both parts of his job were aligned. The extra responsibility also forced him to delegate more to his finance team. Such dual-hat positions can broaden the scope of a high-performing manager's experience.

3. Size. Does the scale of jobs allow for movement and development? Are there jobs of different sizes that allow for lateral and vertical progression? To get a new experience and challenge, could people make a lateral move that takes them into a new area but with the same or smaller scope? You don't want to increase scale and scope at the same time. For example, when one large retailer moves store managers to a new country, they manage a store of the same size and complexity. Yet such moves are considered progressions and rewarded as such.

4. General management. A GM has accountability for a business and oversees functional units that work together. Few organizations have many roles that are true GM positions—in which a person has full profit-and-loss responsibility and full control over all levers of production. But many overlook opportunities to create roles with GM characteristics—setting strategy, accountability for the revenue and expense side of the profit equation, and a multi-functional team to manage. Do any of the roles, short of the leader, have these characteristics? It is not the same to have experience in functional areas and then try to put them together in a GM role. Experience is better gained on a small scale that requires a GM perspective. Better yet, it is done before the manager is too senior to take on a GM role.

To grow leaders, design jobs to provide developmental experiences your next generation of executives need. **LE**

Amy Kates is co-author with Jay Galbraith of Designing Your Organization *and CEO of Downey Kates Associates, guiding leaders though the design process. Visit www.downeykates.com.*

ACTION: Design leadership experiences.

Mobilizing Talent

H o w   d o   y o u   w i n   a t t e n t i o n ?

by Ralph Jacobson

IN THE MOVIE *THE RED River*, John Wayne rises up out of the saddle and with a strong forward motion commands, "Take 'em to Missouri." As the film concludes, we're confident that the herd will reach its intended destination—on time and within budget.

Today, the response to John Wayne's command might be: "Why not New Jersey?" "That's not in my job description." "I am busy." Frankly, most of the "hands" missed the cue—they were listening to Phish on their iPods. They expected their orders to be text-messaged. Unless the organizers of the drive spent time team building, it's unlikely that the herd reaches its destination on time, within budget.

Command and control, power and leadership authority, no longer muster the desired response. Most of us in our 50s and 60s were cued up to listen to authority. When the professor lectured, we listened. We assumed the validity of the content and knew that there could be consequences for inattention. Today the listener's benchmark has become *relevancy* and *entertainment*. There are many alternative channels and messages from which to choose. Today, students are more interested in sharing their ideas than in hearing the wisdom of their professors.

What hasn't changed is the desire of most people to make a contribution. People are community-seeking, and many of the ills that keep us from the path of greatness remain the lack of meaningful connection. But clearly, getting people to pay attention and enrolling them is more difficult. The emphasis on the short term, the aversion to taking risks, and the loosening of community bonds have made the task of engaging people a greater challenge.

When leaders fail to consider how their messages and strategies impact their credibility and long-term employee engagement, their followers feel greater stress, show less interest in the long term, have less ability to problem solve, and less belief in influencing their work environment. When they perceive that they've been robbed of their ability to find meaning, they often despair. Many leaders struggle to find meaningful ways to involve their people. Believing their role to be one of providing direction, they may give fast answers to issues that deserve greater clarity.

Actions that Get Attention

Here are four leadership actions that get attention:

1. Meaningful information. Today information is abundant, easy to obtain, and constantly changing. And its validity and accuracy are questioned. So, one important historical source of leader authority is neutralized. But the information that people most often need today can't be found on the internet. It is the judgment that results from careful exploration of the facts, the dialogue that uncovers deeper possibilities, and the purposeful connection in community. People crave the wisdom that arises when rationality, emotion, and intention are put into meaningful action.

2. Meaningful relationships. Credibility of the leader is required by followers. But many younger employees believe the experience of their leaders is less relevant to their situation. Many have confidence in their own capabilities to determine the course of action themselves; they are less willing to rely on those above them for direction or approval. They may not see that asking the opinion and direction of those above them adds value. This shift in role for many leaders may be disarming. Leaders need to spend more time helping people understand the broader perspective, the longer-term view, the many perspectives, and the coordinated action that's needed.

3. Meaningful work. Yesterday leaders motivated people by talking about numbers: "We're going to increase revenue by 15 percent. We'll improve the bottom line 10 percent." Many followers today simply don't care. If you want to focus their attention on business, then the better message may include opportunities for learning and creating meaning. You might focus on how we can improve the value to clients, our communities, or humanity. Most people believe that we are headed for difficult challenges, and they want to do something about these issues. They would work on substantive issues if only someone were to ask them to contribute. So leaders get people's attention by asking followers to volunteer to help accomplish higher-level work. Who will turn down the call to make a significant difference, to address substantive issues, and to create new possibilities?

4. Meaningful questions. The fastest, most effective way to get someone's attention is to ask them a question. Ask people for an opinion, and most will happily provide one. Most leaders feel their credibility with followers requires them to provide answers—but their real authority and power comes from asking deep, relevant, and meaningful questions that help people determine how they can add value and improve working relationships. Questions slow down frenetic behavior, force people to consider their intent, and typically improve action.

The nature and relevance of the question determines the attention span and interest of the prospective listener. Narrow questions hold people's attention for a short time and don't build leader-follower relationships. Sadly, when caught in the need for short-term financial performance, leaders tend to ask, "What have you done for me lately?" Such short-term, narrow questions don't build leader-follower loyalty.

If leaders want to get attention, they need to ask well-crafted, higher-order questions that encourage people to reflect and think. Such questions help improve leader-follower relationships, decrease political cross-silo tension, increase engagement and agility.

Rather than tell people what to do, the leader needs to create a forum in which people are interested in performing meaningful work. The leader may have to help followers separate the important from the critical, the short term from the long term, the big picture from the immediate. Making work meaningful creates more chances to learn and contribute. Improving leader communications and intention increases employee engagement to accomplish the most important work. **LE**

Ralph Jacobson is President of The Leader's Toolbox, and author of Leading for a Change: How to Master the Five Challenges Faced by Every Leader. *Email ralph@theleaderstoolbox.com.*

ACTION: Mobilize your talent.
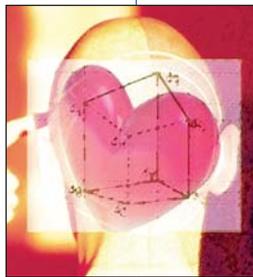
Office Politics

How you can play and win even if you feel you have no vote.

by Monica Wofford

AT THE OFFICE, YOU don't get a chance to vote on your leader. If your leader was forced to state a platform, what would it be? What if all your leaders had to state their case in front of all the people they serve? Of course, they don't, or won't. In light of the reality you face in the office, how do you play or participate in office politics without being left out, cold-shouldered, or worse, "freed up" in an attempt to stand for what you believe is right? If you can't vote for your leader or boss, how can you play his or her politics and still win?

Here are eight tips:

1. Recognize that your leaders are human. Those in charge may have a title, a bigger office and more authority, but they are still human. Many leaders are put into their positions because of their tenure more so than their skill level. This can create a fear among leaders to reveal their lack of knowledge. That frustration creates cover-up behaviors that may inhibit *your* development. Realize that they are dealing with their own issues, and you may find yourself more forgiving and less demanding.

2. Establish a connection. Some people are gifted connectors who create bridges of communication in relationships. No matter your abilities, connections can't be forced. This isn't simply about finding a few things in common and commenting on a leader's family picture. Create a comfort level between the two of you—one that enables you to utilize your skills, speak in a language your leader understands, and do things in a style they value. It also helps to connect if you show that you value some of his or her priorities or projects.

3. Communicate what you need. Do not assume that because a person is in a leadership role that he *knows* what you need. Your leaders likely don't *know* what you need in the way of resources or tools or guidance. Tell them what you need in a professional manner or ask them for those elements you may be missing and share why you need them. Some managers want a "why", others

don't. Some managers will say no, just based on the way you ask. The answer you get will vary, depending on how you communicate your need.

4. Stand your ground. You benefit by holding to your beliefs and values. If you have no real passion about your role or the way it should be done, then why do you have it? You may not get what you want, but if you show that you have passion for a certain decision or way something is done, you will gain credibility and respect. Just be careful how you communicate such passion, as that makes all the difference.

5. Become available and needed. For those leaders who are not sure what their role is or how to perform it, they will need you and usually not know how to tell you this, without feeling

less than powerful. Offer suggestions with no ego involved and gauge the reaction. If the leader is receptive, continue to offer suggestions or ask if she is open to other ideas. Be available to answer questions and easy to talk with. Develop your ability to get your job done and still be available for questions or suggestions to your boss. You might even try letting her have credit for the idea. Making a boss look good can go a long way toward them returning the favor, but it must be done without a lot of your ego invested.

6. Share expectations. If people are not performing: share your expectations, free them up, coach them, give them a buddy, or change them to a job they can do. The action you take will depend on what you have done about his behavior up to this point. Have you coached? Have you shared expectations? Have you given rewards? If people are not clear on your expectations, tell them. If you encounter a new boss

who is not sharing his or her expectations, ask for them. Write them a memo, send them an email, get clear on your expectations—both those expected of you and those you have for others.

7. Minimize the damage from gossip and attrition. People will talk, no matter what, but you can minimize damage from the rumor mill by over-informing, adopting a zero-tolerance negative gossip policy, or encouraging those who hear gossip to stop it by asking the person if she minds that you share what you have heard with the person who is the subject of the gossip. Don't take gossip personally. If there's a revolving door out of your company, determine why people are leaving. Avoid hiring too many direct, commanding, take-charge folks, as they will often butt heads with others. Hire those who have a little fun, as it will keep the team happy. Many companies hire only "commanders" or "organizers." These individuals are easily promotable, but not good at people skills when stress is high.

8. Boost morale and teamwork with recognition. If there is always doom and gloom, even the best employees will flee to a happier place. If you have low morale, talk about it openly, try to find the source, try to eliminate the source, recognize that it may be temporary, and check to see if you are creating it by mistake. Low morale can be achieved by one bad apple or one bad event, as well as a series of changes. Has anything bad happened that you can control? What can you do to make work fun? Do you have fun doing your own job? Has it been a while since you said "good job" or excellent work? Keep in mind, many people will be as pleased with a pat on the back, a high five, or a thank-you card, as much as they will a raise—provided you recognize early and often. Ask them how they like to be recognized. Give different recognition to different people. Recognize who values which kind of recognition Share expectations of team performance and give team incentives to help members get along.

You may not get a vote in who becomes your leader, but you can influence *how* they lead you. It requires that you become a better leader of your own actions and behaviors so that those you lead will look to you for leadership and *your* leader may take an interest in following your lead. **LE**

Monica Wofford is a speaker, trainer, and CEO of Monica Wofford International, helping companies achieve real results. Visit www.monicawofford.com or call 866- 382-0121.

ACTION: Win at office politics.

Leadership Development

Is it all just a whole lot of hooey?

by Kenny Moore

I'VE WORKED WITH MANY executives over the years, but rate few as exceptional—and they never attended a leadership development program (those who did usually were mediocre). Likewise, most "high potentials" do little more than what's considered politically correct to please their superiors and climb the ladder.

Stellar performers share little in common. Some are bold and independent; others, obnoxious and rude. Several are shy and taciturn. It doesn't seem to matter. Mentoring, training and coaching don't appeal to them. What they possess is not the product of education or development.

Great leaders are like artists. Picasso said: "I don't develop; I am."

Where Does Talent Come From?

There's a *Best Practice* business model that explains this phenomenon, but it's not from Tom Peters or Jim Collins. It's from another astute luminary: Plato. Plato's view of leadership derives from his *acorn theory*. Here's how it works:

All of us are born with an "acorn" that's destined to grow into a mighty oak. This acorn is our *calling*, *vocation* or *destiny*. Before arriving here, we were perfectly clear on what our calling was—but in birth, all remembrances are lost. Plato believed that the gods send us here with a precise destiny; we just can't remember what it is. To help manage this dilemma, we are accompanied by our own *daimon* (Guardian Angel). It's our angel who remembers our vocation and is assigned to make sure it gets lived out.

Peril and misfortune may assail us; enemies and miscreants may assault us; parents and educators may abuse us. No need to worry—the acorn will prevail. The *daimon* is ever near to ensure safe passage. For some, the dangers and difficulties have elements of divine necessity: all required to mature the acorn, crush it underfoot—so that it may blossom into a mighty oak. Gods don't waste time on fruitless endeavors. The Divine has a master plan in place.

Living out our acorn and cooperating with the *daimon* is vital, since our happiness is intimately connected to it. Money, fame, and success can't ensure our personal fulfillment; however, cooperating with our calling will. We are all invited to do so, and do it well. With our own flair, in our own style. We're not here to live out our parent's wishes or our company's vision. We've got more compelling goals to achieve.

Growing Up, Growing Down

Being worthy of our destiny requires embracing our talents and bringing them to fruition. It's about being visible and making a difference. Sometimes, the acorn manifests itself early; other times, it ripens with the passage of years.

Growing *up* into our responsibilities is only part of the journey. There is a

need to grow *down* as well. Spreading our wings and soaring to the heights is merely one aspect. Like the mighty oak whose branches reach high into the air, there is a network of earthly roots that must sink themselves deep into the soil anchoring it for display. The growing down part of the tree is as important as its growing up, lest in the face of foul weather, it topples.

The growing up part is public and often met with attention. Growing down is private, often performed in the darkness of night and surrounded by the mundane affairs of daily life.

Gandhi's dictum was this: "Almost everything you do will seem insignificant, but it is very important that you do it. Be the change you wish to see in the world." Gandhi saw the value of the prosaic. Engaging in the pedestrian aspects of our lives tempers the grandness of the acorn's call. Showing up for work, caring for family and friends, performing daily chores are ordinary but critical components of our destiny.

How Destiny Gets Played Out

• *David Thomas* never knew his birth parents and lost his adoptive mother when he was five and two stepmothers by age 10. He was raised by his aged grandmother. Dave wasn't the brightest of students, dropping out of school at age 15. He got a few jobs, and had to grow down before he grew up. With some luck cooking food in the army and later running a KFC restaurant, he opened a small hamburger joint and named it after his daughter, Wendy. He later became a philanthropist and lobbied Congress to help families adopt kids. He hired a tutor so he could get his high school diploma at age 60.

• *Harold Yuker* was born with cerebral palsy and forced to go to a school for crippled children. But he eventually got a Ph.D. As Provost at Hofstra University, he ensured other physically challenged children would never have to endure what he did. Harold got laws changed, doors opened, and mindsets moved.

• *Ella Fitzgerald,* as a girl, showed up at the Harlem Opera House to tap dance in a talent show. But after she was introduced, she changed her mind: "I wanna sing." And sing she did—to applause.

Role models abound; look at your own family, friends, and firm. They've got an acorn and an active *daimon*. More importantly, look within. In reflective moments, we're aware that we have particular gifts; we know that we've been called, that we're here for a higher purpose. Our life journey is replete with experiences that are bizarre, serendipitous, and precarious. And yet we have endured. There is a reason for this.

Speaking of this longing, Charles Kingsley said: "We act as though comfort and luxury are chief requirements of life when all that we need to make us really happy is something to be enthusiastic about." And what could generate more enthusiasm than living out the mystery of our lives with a sense of panache, intrigue, and adventure? Our word *enthusiasm* comes from Greek, meaning *possessed by the gods*.

It's not by chance that we are here. We have a unique destiny with a clear purpose in mind. And powerful intermediaries have been dispatched to accompany us. So, be bold. Be brave. Take more risks. Stop playing it safe. You already are safe. And the next time someone offers to send you away for some Leadership Development, tell 'em to buzz off: you've got more important things to do with your time. **LE**

Kenny Moore, co-author of The CEO and the Monk *(Wiley), is Corporate Ombudsman and HR Director at a New York City Fortune 500 company (before that was a Catholic priest). Email kennythemonk@yahoo.com or visit www.kennythemonk.com.*

ACTION: Live out your destiny.