

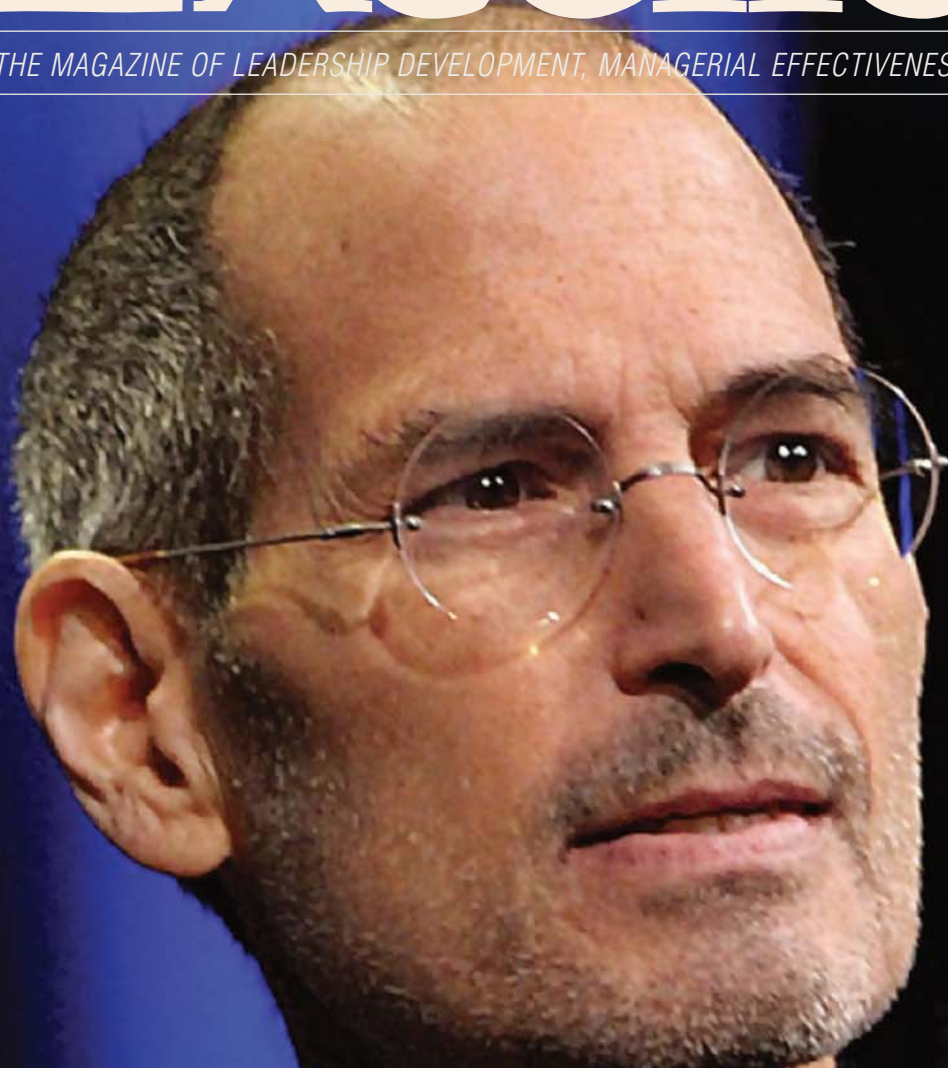
# LEADERSHIP Excellence

Warren Bennis



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

NOVEMBER 2011



Steve Jobs  
1955 - 2011

**Three Key Behaviors**

**Entrepreneurial Leaders**

**The 'Vision Thing'**  
Tribute to Steve Jobs



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—WARREN BENNIS, AUTHOR AND USC PROFESSOR OF MANAGEMENT

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THE MAGAZINE OF LEADERSHIP DEVELOPMENT, MANAGERIAL EFFECTIVENESS, AND ORGANIZATIONAL PRODUCTIVITY  
 VOL. 28 NO. 11 THE GLOBAL LEADERSHIP DEVELOPMENT RESOURCE NOVEMBER 2011



*These horses embody the creative freedom found at Apple, thanks to the leadership of Steve Jobs.*

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# Great Leaders and Top Talent

*The best is benchmarked, imitated, and targeted.*



by Ken Shelton

**I**N OUR ANNUAL RANKING OF *Best Leadership Development Programs*, we named General Mills #1 among large organizations. Why? What General Mills does in LD corresponds nicely with our *50 Best Practices* and our *seven ranking criteria*: 1) meaningful vision/mission linked to strategy; 2) broad and deep involvement and participation; 3) effective program design/model, credible content, and customized, relevant curriculum; 4) qualified presenters, presentations, and delivery; 5) personal accountability for performance and results; 6) high take-home value for participants; and 7) impressive program impact and outreach.

This year, I was impressed with the new *Great Manager* program that Kevin Wilde, Pete Longhurst, and their team are doing at General Mills. Their *Leadership Institute* developed a global *Building Great Leaders* program to increase the number of *Great Managers*. In addition to discussion-based executive presentations, the program uses self-awareness tools such as personality assessments and 360 feedback instruments as well as theatrical simulations to increase *Great Manager* competencies.

Another element of the General Mills program is the core belief that talent/LD is central to its mission of *Nourishing Lives*—making people's lives healthier, easier and richer with its portfolio world class brands. In fact, the company states that one of its five core values is, *We respect, develop and invest in our people*, and backs up the statement by investing heavily in talent development.

*The General Mills Institute for LD builds the company's talent pipeline.* It offers various development experiences and tools for professional employees, management and leadership. Directors and officers are developed through the *Building Great Leaders* program. The course is taught by senior executives, and utilizes coaching, self-awareness assessment data, and theatrical leadership simulations. All employees benefit from classroom training, digital e-learning, and social learning.

*General Mills also measures the value and results of its LD programs* through alignment with key business strategies and metrics. Dozens of General Mills employees have served in leadership roles to advance

the industry—and for two years General Mills has shared its *Continuous Improvement* training with the state of Minnesota to help government be more efficient.

## Top People Are Targeted

Most employers are convinced that other companies are actively seeking to hire away their top people, said Michael Haid, SVP of TM at Right Management. "As competition becomes adept at replicating products, services, operating models and marketing strategies and demand for certain skills sets rises, leaders see that *talent is the last remaining source of competitive advantage*. No organization is immune from the stress of effective retention or competitive recruitment. CEOs and HR staffs are feeling vulnerable; and seeking ways to hold onto their rising leadership." Visit [www.right.com/globalleadershipstudy](http://www.right.com/globalleadershipstudy).



Kevin Wilde

Despite the slow job market, "most organizations find it tough to hold onto their best people," said Bram Lowsky, EVP/Americas for Right Management. "There's a furious war for top talent under way, constant poaching of high performers by competing companies, and a very restive workforce. The challenge is to retain your best contributors, target them for development, and show them they have a future with the organization. Top talent always has employment options. They'll usually find some place that they feel appreciates what they bring." Email [shari@fryerassociates.com](mailto:shari@fryerassociates.com).

## Spot High Potentials

"At a time when organizations struggle to build their leadership pipeline, retain top performers and plan for management succession, it's ironic that so many don't identify the most promising employees, says Sandi Edwards, SVP of AMA Enterprise. "Only half seem committed to holding onto their best talent and developing these people to contribute at higher levels of performance." When used properly, competency based and predictive assessments can provide the hard data to *minimize risk* and *maximize success* in identifying future leaders.

Also, few organizations integrate LD and succession planning with strategy, said Edwards. [www.amanet.org](http://www.amanet.org) or email [abein@amanet.org](mailto:abein@amanet.org), or [pgryan@aol.com](mailto:pgryan@aol.com). LE

*Ken Shelton*  
Editor since 1984

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# The 'Vision Thing'

*Jobs looked for the next big one.*



by George Beahm

SINCE 1976, STEVE JOBS spoke his mind, to the delight of his advocates and the dismay of his detractors, in every possible venue. But no matter what you think of Jobs, who twice cites "the vision thing" on his résumé, one indisputable fact stands out: He gave us some of the most memorable quotes about the nature of business in our time, including this one: *I'm always keeping my eyes open for the next big opportunity, but the way the world is now, it will take enormous resources, both in money and in engineering talent, to make it happen. I don't know what that next big thing might be, but I have a few ideas.*

Indeed, Steve Jobs had a few good ideas. He occupied a unique and enviable position in the business community. He was selected as "CEO of the Decade" by *Fortune* magazine, the "world's best-performing CEO" by the *Harvard Business Review*, and "Person of the Decade" by the *Wall Street Journal*, among numerous other honors.

On August 18, 2011, news broke that the only authorized biography of Steve Jobs, written by Walter Isaacson, curiously had been moved up from March 2012 to Nov. 21, 2011, prompting questions as to why. Big publishers simply don't move up pub dates four months on a whim. Clearly, a shoe had been dropped. Six days later, on August 24, the other shoe dropped: Steve Jobs announced he was stepping down as CEO, and asked the Apple board to "execute our succession plan," which put Timothy Cook at the helm.

On October 5, one day after Apple's new CEO held his first media event to announce the iPhone 4Gs, Apple's board stated that Steve Jobs, at age 56, had died. The board released a statement: "Steve's brilliance, passion and energy were the source of countless innovations that enrich and improve all of our lives. The world is immeasurably better because of Steve."

One of my favorite lines about Steve Jobs was said by him: "Being the richest man in the cemetery doesn't matter to me," he said. "Going to bed at night saying we've done something

wonderful—that's what matters to me."

Here are more of my favorite Steve Jobs' lines (from my book, *I, Steve*):

**What are the great brands?** Levi's, Coke, Disney, Nike. Most people put Apple in that category. You could spend billions of dollars building a brand not as good as Apple. Yet Apple hasn't been doing anything with this incredible asset. What is Apple, after all? Apple is about people who think "outside the box," people who want to use computers to help them change the world, to help them *create things that make a difference*, and not just to get a job done.

**All we are is our ideas, or people.** That's what keeps us going to work in the morning, to hang around these great bright people. I've always thought that recruiting is the heart and soul of what we do.



**But it's not just recruiting.** After recruiting, it's building an environment that makes people feel they are surrounded by equally talented people and their work is bigger than they are. The feeling that the work will have tremendous influence and is part of a strong, clear vision—all those things.

**Recruiting usually requires more than you alone can do,** so I've found that collaborative recruiting and having a culture that recruits the "A" players is the best way. Any interviewee will speak with at least a dozen people in several areas of this company, not just those in the area that he would work in. That way a lot of your "A" employees get broad exposure to the company, and—by having a company culture that supports them if they feel strongly enough—the current employees can veto a candidate.

**Why did Apple struggle to innovate during the decade before I returned in 1997?** You need a very product-oriented culture, even in a technology com-

pany. Lots of companies have tons of great engineers and smart people. But ultimately, *there needs to be some gravitational force that pulls it all together.* Otherwise, you can get great pieces of technology all floating around the universe. But it doesn't add up to much.

**People think focus means saying yes to the thing you've got to focus on.** But that's not what it means at all. It means saying *no* to the hundred other good ideas that there are. You have to pick carefully. I'm actually as proud of the things we haven't done as the things I have done. Innovation is saying *no* to 1,000 things.

**In most people's vocabularies, design means veneer.** It's *interior decorating*. It's the fabric of the curtains and the sofa. But to me, nothing could be further from the meaning of design. Design is the fundamental soul of a man-made creation that ends up expressing itself in successive outer layers of the product or service. Some people think *design* means *how it looks*. But of course, if you dig deeper, it's really *how it works*. The design of the Mac wasn't what it looked like, although that was part of it. Primarily, it was how it worked. To design something really well, you have to get what it's all about. It takes a passionate commitment to thoroughly understand something, chew it up, not just quickly swallow it. Most people don't take the time to do that.

**Product innovation is not about pop culture,** and it's not about fooling people, and convincing people that they want something they don't. *We figure out what we want.* And I think we're good at having the right discipline to think through whether many other people want it, too. That's what we get paid to do. So you can't go out and ask people, what's the next big thing? Henry Ford said, "If I'd have asked my customers what they wanted, they would have told me 'A faster horse.'"

**You have to have a lot of passion for what you're doing** because it's so hard that if you don't—any rational person would give up. And you have to do it over a sustained period of time. So if you don't love it, if you're not having fun doing it, you don't really love it, you're going to give up. And that's what happens to most people. If you look at the ones who end up being "successful" in the eyes of the society and the ones that don't, often the ones who are successful loved what they did, so they could persevere when it got really tough. The ones who didn't love it quit because they're sane, right? Who would want to put up with this

stuff if you don't love it? So it's a lot of hard work and it's a lot of worrying constantly and if you don't love it, you're going to fail.

*About half of what separates successful entrepreneurs from the non-successful ones is pure perseverance.* Unless you have a lot of passion about this, you're not going to survive. You're going to give it up. So you've got to have an idea, or a problem or a wrong that you want to right that you're passionate about; otherwise, you won't have the *perseverance* to stick it through.

*You've got to find what you love.* Your work fills a large part of your life, and the only way to be truly satisfied is to do what you believe is great work. And the only way to do great work is to love what you do—don't settle.

*People judge you by your performance,* so focus on the outcome. Be a yardstick of quality. Some people aren't used to an environment where excellence is expected. It's painful when you have some people who are not the best people in the world and you have to get rid of them; but I found my job has sometimes exactly been that—to get rid of some people who didn't measure up and I've always tried to do it in a humane way. But nonetheless it has to be done and it is never fun.

*If you want to live your life in a creative way, as an artist, you have to not look back too much.* You have to be willing to take whatever you've done and whoever you were and throw them away. Let's go invent tomorrow rather than worrying about what happened yesterday.

*Great artists never stand still.* It always occurs to them at some point that they can do this one thing for the rest of their lives, and they can be really successful to the outside world but not really be successful to themselves. That's the moment that an artist really decides who he or she is. If they keep on risking failure, they're still artists. Artists like Bob Dylan and Pablo Picasso were always risking failure.

*This Apple thing is that way for me.* I don't want to fail, of course. But even though I didn't know how bad things really were, I still had a lot to think about before I said *yes*. I had to consider the implications for Pixar, for my family, for my reputation. I decided that I didn't really care, because this is what I want to do. If I try my best and fail, well, I've tried my best. LE

George Bealm is editor of *I, Steve: Steve Jobs In His Own Words*, published by Agate B2. Visit [www.agatepublishing.com](http://www.agatepublishing.com).

**ACTION:** Lead innovation like Steve Jobs.

## Tribute: Steve Jobs

*He led/managed from the heart.*



by Mark Faust

WHILE STEVE JOBS IS a business hero of mine whom I admire much, I think it is idiotic for anyone in business to deify him and make it seem as if he had some sort of irreplaceable magic that can't be replicated at Apple or anywhere else.

### *Innovation Is a Process*

Peter Drucker proved this in his research around innovation and entrepreneurship: all innovation is a process and can be replicated when any company puts in place innovation objectives and a process with accountability that has an intense focus on the customer and a goal of a new dimension of performance.

I believe Apple will continue its reign of being innovation exemplars. Jobs and team have been preparing for this for a long time. The new conservators of the Apple culture will communicate and manage the transition well. And while some fear that it is over, there are innovations around the corner that will reassure the public that Apple is not just Steve Jobs.

But gosh how I love and respect that man.

*We need more heroes in business,* and he was an exemplary visionary. Like David Ogilvy did with advertising and marketing, Steve contradicted the industry with vision. To paraphrase Ogilvy, "Steve Jobs' gods were not our gods." He didn't bow at the altar of incrementalism, but he spoke the words and created worlds of revolutionary growth.

*Steve Jobs was perhaps the most agile CEO in the history of American entrepreneurialism.* Like any great innovator, Steve used defeats like being ousted from the company he founded, Apple, as a stepping stone to still greater innovations to create a groundbreaking company in a different industry—animated movie studio Pixar.

His being wooed back to his first love, Apple, happened because the

board knew they could no longer ignore his revolutionary vision and optimistic view for his child that was against the ropes and going down for the count, they knew that no one else had such hope as Steve did in Apple's ultimate ebb.

His mind was nimble, and he revolutionized animated movies with franchises like Toy Story and Cars shortly before revolutionizing the music industry with iPods and iTunes. He took on portable computing with iPads by taking on a contrary view to rival Microsoft. Bill Gates' model was to make the computer the "set-top box" that anchored Americans' living rooms. Instead, Jobs focused on people as the center of their living rooms, and created media and devices that would surround them, instead.

### *Cancer: No Impediment to Impact*

Moreover, he did not allow the cancer that ate away at his body to become an *impediment* to his *impact*. He turned it into an asset that empowered him.

This passage about how his cancer diagnosis affected him is from his Stanford University commencement

address rated the best of all time by *USA Today*:

"No one wants to die. Even people who want to go to heaven don't want to die to get there. And yet death is the destination we all share. No one has ever escaped it. And that is as it should be, because Death is very likely the single best invention of Life. It is Life's

change agent. It clears out the old to make way for the new. Right now the new is you, but someday not too long from now, you will gradually become the old and be cleared away. Sorry to be so dramatic, but it is quite true. Your time is limited, so don't waste it living someone else's life. Don't be trapped by dogma—which is living with the results of other people's thinking. Don't let the noise of others' opinions drown out your own inner voice. And most important, have the courage to follow your heart and intuition. They somehow already know what you truly want to become. Everything else is secondary."

Steve helped us all to think different and think anew. LE

Mark Faust, founder of [www.EchelonManagement.com](http://www.EchelonManagement.com) is a growth consultant, executive coach, speaker, and author of *Growth or Bust: Proven Turnaround Strategies to Grow Your Business*. Visit [www.echelonmanagement.com](http://www.echelonmanagement.com).

**ACTION:** Lead people and projects from the heart.



# Thinking Leaders

*Think critically in critical times.*



by Catherine J. Rezak

AS ECONOMIES RECOVER from instability, they are reshaping how business gets done and restructuring the economic order. In this *new normal*, leaders must do things differently if they expect to achieve positive results.

*Most leaders are poorly prepared to navigate their companies through such a demanding landscape*, defined by fast and furious change and a rising tide of data. They get bogged down; make decisions based upon erroneous or incomplete information; fail to understand the implications of their actions; and become scattered in their thinking.

If *thinking drives behavior*, and *behavior drives results*, financial recovery and growth will be hard to achieve unless leaders learn to think clearly and critically. *Critical thinking* is the *number one* requirement for successful leadership today. This *big picture thinking* enables leaders to understand the impact of their decisions and ensures *alignment* with goals and *accountability* for results.

## Why Critical Thinking Is Critical

Every two years *Executive Development Associates* (EDA) conducts a survey on the trends, growth and evolution of executive development—asking senior ED professionals to gauge the readiness of the next generation of leadership talent. Its 2010 *Trends* report revealed trouble on the horizon. The survey identified “hot topics” in ED. At the top of the list was *leadership*, followed by “*business acumen, honing skills in strategy execution, leading/managing change, and talent management.*”

When asked, “What competencies do your leaders lack,” respondents say that *five things are missing*: 1) strategic thinking; 2) leading change; 3) ability to create a vision and engage others around it; 4) ability to inspire; and 5) understanding the total enterprise and how the parts work together.

*Smart companies are revamping their leadership development* to impart this crucial knowledge. To accelerate the development of *high-potentials* and raise *leadership accountability* to a new level of awareness and action, they are

placing a new emphasis on critical thinking in the leadership curriculum.

## Learning to Think Like a Leader

*People learn best when actively involved in the learning process, engaging in behaviors they want to learn.*

What’s vital in developing critical thinking skills in current and future leaders is framing those behaviors within a relevant, job-related context.

Traditional training often falls short. Emphasizing the *tactical* skills of managing—setting goals, communicating expectations, providing feedback—doesn’t prepare leaders to use *strategic* skills of critical thinking, motivating, energizing and providing vision. Developing critical thinking muscles calls for new methods—transformative learning experiences that force leaders to exercise new thinking and demonstrate new behaviors that are relevant to their positions and the work they do.

*Discovery learning has proven to be a powerful way to change perspectives and build critical thinking skills and insights.* Learners are guided and motivated to explore information and concepts, construct new ideas, identify new relationships, and create new models of thinking and behaving.

*The methodical is highly experiential and interactive*, incorporating game techniques, visuals, simulations, small-team exercises and other participant-centered elements that *enhance learning, accelerate skill acquisition, and ensure long-term retention.* Participants contend with obstacles, make decisions (and mistakes) and discover the impact of their actions. They practice in a safe place—*without risk or real-world consequences.*

You can hone the critical thinking skills in your leadership pipelines with two discovery learning solutions:

- **Zodiak®: The Game of Business Finance and Strategy** is a simulation board game designed to enhance business acumen. During the training, participants manage events and make decisions on capital investments, staffing, pricing and new products. Then they analyze results and answer to investors.
- **Impact5®: The Business of Leadership**

*Game* focuses on *leadership accountability*, using a challenging *slice of reality* simulation. Unlike approaches that address *leadership* from a “what you need to do, what skills you need to have” perspective, Impact5 answers the question “What does your organization need from you as a leader to positively impact success?” During the training, leaders develop a new mind-set about leadership and link their competencies to results in three areas: *customer, organizational, and financial.* They leave with a *big picture* perspective, prepared to focus on behaviors and actions that will have the highest impact on success.

After discovery learning experiences like these, leaders can better think on a deeper and broader scale and solve



real workplace issues. They make connections between what happened in the LD activity and what happens in the business. They also drive results, armed with a *robust understanding of company financial and strategic performance drivers* and a *keen sense of accountability for achieving those goals.*

## New 3Rs of Executive Education

To succeed in the *new normal*, leaders need to learn how to be discerning, think clearly and wisely, and be accountable for their impact. Deploy *the new 3Rs* of executive education:

1. **Reevaluating the LD curriculum objectively** to make sure it not only aligns with corporate strategy but also assures that the leaders being developed understand how their actions and decisions affect organizational success.

2. **Reinvigorating LD content with a business acumen focus** to ensure leaders understand the business—financial drivers and strategic objectives—and have ample opportunities to engage in critical thinking, *apply it* to real-world situations, and analyze consequences.

3. **Reengineering LD delivery with active, not passive, learning experiences**—small-team activities, challenge scenarios, simulations, game techniques, post-session action projects and other discovery learning exercises that make it easier to transfer learning to the job.

By assessing LD initiatives through the lens of *what’s required of the next generation*—and addressing gaps—leaders exercise their brand of critical thinking and put themselves in a stronger position to succeed in the new normal. LE

Catherine J. Rezak is chairman of Paradigm Learning. Call 727-471-3170 or email Cathy.Rezak@paradigmlearning.com.

**ACTION: Cultivate critical thinking skills.**

# Thinking Canine

Best CEOs have dog-like traits.



by Robert Vetere

**A**BOUT 67 PERCENT OF CEOs own dogs (vs. 39 percent of the general population), and these top executives say man's best friend has taught them much about how to succeed. Dogs can teach us about boosting creativity, employee engagement, and more collaborative organizations.

What's behind the love affair between corporate top dogs and their canine companions? Dogs read our moods and intentions and clearly outrank us in emotional intelligence. Our early partnership with dogs was the pilot for teamwork and collaboration—the kind that makes organizations run smoothly.

Some of our best CEOs are so dog-like in their pursuit of success, they resemble certain breeds:

- **Tenacious Terrier:** Fashion magnate *Diane von Furstenberg*, Fox mogul *Barry Diller*, and Silicon Valley entrepreneur *Larry Ellison* are *best of breed*. Terrier comes from *terra*, meaning of the earth, and these dogs were bred to rid the garden of moles and other leafy predators. They attack with great fury, tunneling with their hind legs, and mercilessly rout their prey. If you're a terrier, you're a scrappy, independent leader. You take on all competitors, regardless of size. You are *fiercely driven* and *intensely focused*. You know what you want and you go for the deal, no matter how high the stakes. However, you're likely to have tunnel vision and can easily miss important things on the periphery. Your staff may also find you aggressive and dominant. But your bark is usually worse than your bite. Your motto is *Never give up, no matter the odds*. This attitude helped von Furstenberg recreate her fashion empire, made Diller a tough negotiator, and won Ellison the America's Cup.

- **Golden Retriever:** Think president *Bill Clinton*, former Hewlett-Packard CEO *Carly Fiorina* and Silicon Valley venture capitalist *John Doerr*. The golden retriever is an expert at engaging people—this breed that puts relationships above all else. The retriever is the boss everybody loves: good-natured,

easy to talk to, a terrific judge of character. Like Clinton, and Doerr, one of our top Venture Capitalists, this breed has an uncanny ability to read body language and emotional cues. These are the skills of a natural leader and motivator. Retrievers are great speakers who use their rapport with the public to enhance the reputation of their company or product. Potential problems: If you're a retriever, you can be too energetic and overwhelm your staff. You also need to match those people skills, as Doerr does, with insight into financial details and day-to-day operations.

- **Border collie:** Wal-Mart founder *Sam Walton* is clearly *best of breed*, but others include lifestyle maven *Martha Stewart* and Yahoo's *Carol Bartz*. The border collie has it all: smarts, independence, and the ability to get the best from oth-



ers. This breed is a natural CEO, with the ability to herd people in the right direction and keep track of everything. As a leader, this breed can be anxious and demanding, but also protective of the pack and very loyal. They push people hard, but you also reward them well for service, building tight-knit organizations, and employee morale.

- **Rottweiler:** A corporate protector whose primary task is to preserve a legacy. In this category we have Max De Pree and Michael Volkema, who each took the helm at Herman Miller, and *Anne Mulcahy*, former CEO of Xerox. The Rottweiler sets a course of action, sees it through and is unlikely to squander company resources on ideas that have little chance of succeeding. If you're a Rottweiler, you value tradition and look to the past for lessons that help you to deal with a crisis. However, a good protector often ends up as the *old guard* once the younger generation comes along. Your challenge is to listen

to the innovators and learn how to get in front of industry change.

- **Husky:** An innovator and an independent thinker, such as *Steve Jobs* of Apple and *A.G. Lafley* of Procter & Gamble. If you identify with this breed, you're exceptionally strong, hardworking and able to carry a heavy load. Here is Steve Jobs channeling his inner husky: "You can't just ask customers what they want and then try to give that to them. By the time you get it built, they'll want something new." Because of their stamina and dogged perseverance, Huskies are also ideal researchers and financial managers, yet they tend to roam and to follow their own impulses if not fenced in. My advice: Build consensus. Learn from the golden retriever or border collie.

- **Poodle:** *The energetic CEO with a high level of taste and style*. Think financier *Henry Kravis*, New York City mayor *Michael Bloomberg* and Avon's CEO *Andrea Jung*. Kravis was known for his parties, Bloomberg for his emphasis on excellence, and Jung for her designer wardrobe. Poodles are sensitive, thorough, and energetic, but they're also easily bored and like to shake things up. Their *intuition* can be off the charts, and they may say or do astonishing things to move a meeting in a new direction. If you're a poodle, you're open to change, and you inspire others with your overarching vision. You may leap ahead to the next problem before others understand your thinking, and your staff may find you enigmatic or aloof. Smart poodles learn how to build consensus.

- **Bloodhound:** The entrepreneur who can sniff out new opportunities and cover an astounding range of territory. Many CEOs are at least *part bloodhound*. They use their sleuthing skills to transform the marketplace. The purest of the breed is *Sir Richard Branson*, founder of Virgin Group, who started with a record company and ended up with a communications business, hotel chains, fitness centers, and a travel empire. He learned to delegate, hired strong executives to head up each new venture, and brought on a strong *second-in-command*, Stephen Murphy, as the global CEO to bring discipline to his investments.

*No company is a one-dog show.* The best CEOs are hybrids and draw on the full range of canine skills. They also hire a strong second-in-command and put together management teams that reflect these different breeds. LE

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**ACTION:** Build a top dog team.

# Mature Leaders

*Let's finally heed Einstein's advice.*



by John Renesch

WE ARE CHALLENGED to get along with one another and with our environment. Our childlike indulgences, the gridlock and dysfunction that riddles our institutions, and our inability to govern ourselves with civility are evident. A cry for *adult conversations* is echoed by many pundits.

*People in positions of power seem to be unable to function*, while most of us are left to choose from *three responses*—*resignation, helplessness, or cynicism*. Standard & Poor's called Washington government "dysfunctional" as part of the downgrading of our national credit rating. Einstein warned us decades ago that *we cannot solve our problems with the same consciousness with which we created them*. Maintainers of the status quo ignore his advice.

As more people realize that their leaders are acting dysfunctionally, we see their behavior compared to teenagers *acting out*—engaging in *adolescent indulgences* that don't match with their responsibilities. An implied promise of leaders is they are *mature adults* acting responsibly for the good of the whole.

The consciousness Einstein talked about includes a more *mature approach* to managing complexity. We have created systems that have become more complex than our adolescent thinking can handle. Not unlike Frankenstein and his creature, we've created more complexity than we are able to control.

We need to make a *conscious choice* to grow up and start thinking and acting like adults. The Dalai Lama stated: "As people see their predicament clearly—that our fates are inextricably tied together, that life is a mutually interdependent web of relations—universal responsibility becomes the only sane choice for thinking people." *This universal responsibility requires a grown-up approach to our challenges and conflicts.*

We can choose whether to *evolve* toward a higher form. Those who take a stand for this new truth will be the leaders who create the *better future*.



These leaders may not initially be popular. After all, adults are often unpopular among adolescents who rebel against mature accountability. They may oppose many of the current trends and advocate new approaches. They transcend *left* and *right*, *conservative* and *liberal*. They stand for a new way to exist in a sustainable world *together*, not exaggerating our differences and warring with one another.

Many mature leaders are already *speaking out* and *stepping out* to create a future whereby people evolve and grow in a climate of dignity, respect and security that unites people.

## Becoming Mature Leaders

When paradigms change, the agents or catalysts for change rarely come from within the core of the system. *Established leaders* are often so embroiled in the traditions, beliefs and priorities of the system they rarely even see the need for change, much less initiate it. Only the newcomers see the *naked truth*. In many cases, the leadership for this new consciousness is coming from smaller countries, lesser-known personalities, individuals without rank or title—people who can see dysfunction and policies that border on the insane because they have some distance and objectivity. They are not mired down in the system.

Leaders for a *better future* possess a *powerful vision* for what is needed to be sustainable and the *spiritual chutzpah* to act on the vision. In contrast to *traditional leaders* who spend years building resumes, acquiring wealth and power, and playing politics to get the titles and ranks they achieve, these new leaders know that the way to this better future is simple. No widespread trainings, no large budgets, no expert consultants are needed. *All we have to do it change our thinking* by letting go of *outmoded beliefs* and *immature attitudes* that no longer serve us.

*Our hope for a sustainable way of life and for a future that works for everyone lies in these more mature leaders.* Through them we will transcend traditional means of resolving conflict. We will transcend perverse *nationalism, rankism* and *brandism*. This *better future* affirms and respects *all of life*; allows all humanity to meet their basic needs; and makes this planet a *hospitable home*. LE

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**ACTION:** Cultivate mature leadership.

# Iconic Leaders

*Learn to lead like Steve Jobs.*



by M.S. Rao

STEVE JOBS WAS AN iconic leader who set high standards for innovation. Apple's success can be ascribed to his visionary and innovative leadership. Yet Steve was a college drop-out—like Richard Branson, Bill Gates, Larry Ellison, Michael Dell and Mark Zuckerberg. He rose from humble origins and was a symbol of hard work and hope. He created business history through *unconventional strategies* and *unflagging determination*.

If you ask an Indian child what does alphabet *A* stand for? The child would say, *A is for Apple* (computers). An American child might respond, *A is for Apple and innovation*. That's the impression that Apple Computers has created worldwide under the leadership of Steve Jobs. *Innovation* is almost synonymous with *Apple Computers*.

## Ten Lessons to Learn

Here are **10 lessons** you can learn:

**1. Follow your passions.** Your passion delivers the goods. The iPod was successful because Steve passionately spent many hours for 12 years, talking with software, hardware and design experts to come up with brilliant ideas. Passion counts more than money in innovation. When you *work with passion*, you enjoy meaning, create your own identity, build your brand, contribute your best, and deliver *amazing outcomes*.

**2. Be a visionary.** Steve was so *visionary* that where the *imagination* of others stopped, his began. He knew where he wanted to go and how he could take his people there. He created *imagery* or *pictures* for people, connected with them, and articulated his vision effectively.

**3. Be focused.** Steve was focused on his goals and objectives. He knew where his heart was and worked with dedication. He says, "People think *focus* means saying *yes* to the thing you've got to focus on. But it means saying *no* to the hundred other good ideas that there are. You have to pick carefully."

**4. Be a team builder.** Steve was good at selecting the right talent, hiring the right people with right attitude, and capitalizing their strengths. He said,



"My job is to not to be easy on people. My job is to make them better. My job is to pull things together, clear the ways, get resources for key projects, make these great people even better."

5. **Set an example.** No leader can influence others greatly except through example. Steve was an example. He dedicated his life to technology. He walked his talk and delivered his best and expected the best from others.

6. **Have tenacity—be persistent.** Steve was noted for *tenacity* and *resilience*. As an adopted child, he learned to survive. When he was ousted from Apple, he said, "It was awful-tasting medicine, but the patient needed it. Sometimes life hits you in the head with a brick. Don't lose faith." He focused on his work rather than blame his circumstances. When he was rehired, many doubted his capability. He proved his critics wrong and put Apple on top. Each time he failed, he learned lessons and moved on without any regrets.

7. **Strive for excellence.** Aristotle said, "Men acquire a particular quality by constantly acting in a particular way." Steve acquired the quality of *excellence*. He emphasized *adding value* to existing products and services through innovation and creativity. He believed more in *excellence* than *perfection*. He raised the bar for himself and for others. He said: "Some people aren't used to an environment where *excellence* is *expected*."

8. **Build your brand.** Steve was synonymous with Apple, and he created impact and impression globally. He was a *tough* and *transactional* leader, like Jack Welch, who meant business. He proved *everything is possible through passion, vision, mission, execution and innovation*.

9. **Make your choices wisely.** Steve realized in February 2011 that his time was short. Hence, he made his own choices and spent his last days wisely with his wife and four children without leaving any regrets. He led a complete life, and his innovative ideas and products will be his lasting legacy.

10. **Be an icon.** Steve walked *the path less traveled*, becoming a trailblazer. He started as a *small fish in a big pond* and ultimately became a big pond of innovation and excellence. He rewrote the rules of business and changed the way technology works. He made a *qualitative difference* in the lives of people.

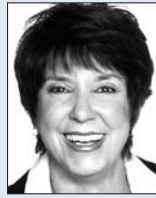
Steve Jobs embodied the *American dream—global dream—of a better life.* LE

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**ACTION:** Follow the road less traveled.

## Turning the Tables

Turn the light on you in five ways.



by Beverly Kaye and Eileen McDargh

**Y**OU AND YOUR FELLOW EMPLOYEES have likely complained about your boss many times. You said you would never have done it that way, or you felt you deserved credit or appreciation and it just never came. It's also likely that you've spent precious time whining, complaining, and second guessing.

We can all share stories of the bosses from hell; however, *bad mouthing the boss can be bad business*—particularly since *what we give out, we get back*. What would happen if we reversed the trend and let the boss know what she did well? What if we actually looked for what was right rather than what was wrong.

October 16<sup>th</sup> was *National Boss Appreciation Day*. We did a survey and found that employees don't often stop to pay attention to something positive that was just said by a boss. They don't tell the boss if his idea was a good one. They don't let the boss know when their intervention prevented a battle, or nipped a problem before it grew.

Why appreciate your boss? Because giving credit, showing appreciation, and noticing great behavior really does go both ways. If you want it, give it.

Here are *four opportunity points* for you to watch for and act on. All can easily escape you, alas, they usually do.

1. **Catch your boss doing something that helped you.** Ken Blanchard reminded us of the importance of this idea in the *One Minute Manager*. You know the feeling when something that you've done is ignored or discounted.

Since managers are not mind readers, be specific! Tell your boss exactly what they did that helped you, how you felt about it, and why it mattered to you. The more specific you get, the greater chance that you will get repeat performance.

2. **A simple thank you goes a long way.** You know how you feel when someone thanks you. You might have received

the quick text message of acknowledgment or a post-it-note left on your desk.

We expect the boss to do it to us. But do we ever expect to do it in return. It truly turns the light on you when you express a simple *thank you*.

Keep in mind—this is not *sucking up* to your manager. If it is not sincere, forget it. We had an experience where a worker (who thought he had a jerk for a boss) began to focus on what his manager was doing right. His simple statement of *thank you* and *appreciation* began to manifest itself in the form of more positive behavior from the boss. *Amazing!* Once you see it and say it, you get it.

3. **Notice more!** There is so much we take for granted and expect from others. Doesn't it feel great when your boss notices something that you do well? Since "whatever is recognized gets repeated," take time to recognize the small things done each day. Here are some sentence stems that can start you: *You made my day when . . . It touched me when . . . I could not have done this without your help . . . You surprised me when . . .*

4. **Help them help you!** Instead of expecting your boss to read your mind . . . let them know what's on it! Tell

your boss what you need in order to do the very best work. And then, for heaven's sake . . . when he does . . . let him know that you noticed. Don't just make a request. Tell your manager what you need and why and what will happen as a result. Most bosses need and want you to succeed. If you fail, they fail.

5. **Remember that bosses are people too.** Aging parents. Troubled teens. Broken marriages. You name it. Salary grade and rank is an equal opportunity employer when it comes to troubles, misery, and heartache. Give your boss some appreciation. You might step in the shoes of your manager and *seek to understand rather than to be understood*.

The stretch sales goals they insist on could be coming from *the pummeled fist of a senior executive* or *the whining voice of shareholders*. It's not about *you*—it is about *business realities*. The brisk tone could be the result of too many conference calls. The irritation could be from sleepless nights and pressing demands. So, think about *Boss Appreciation* from a spirit of generosity and compassion. The results could be astounding. LE

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**ACTION:** Actively appreciate your boss.

# Lead with Vision

*Develop your thinking skills.*



by Gregory Gull

PAST SUCCESS CAN IMPEDE future success. In his *New York Times* article, Steve Lohr uses IBM reaching the 100-year old mark to call attention to *practices* that contribute to *longevity*. He suggests that *all companies* will lose their dominance—*only a few will survive beyond the dominance they once held*. And in his book, *The Living Company*, Arie de Geus reports, “The life expectancy of a multi-national corporation—*Fortune 500*—is between 40 and 50 years. One-third of the companies listed in the 1970 *Fortune 500* had vanished by 1983—acquired, merged or broken to pieces.”

*This may be common, but it is not inevitable!* Why can individuals expect to live 78 years, and yet *human activity systems* (corporations) rarely survive 40 years? Because people can *learn/adapt*.

## Two Cases in Point

Managing/leading organizations as *profit machines* diminishes viability and limits sustainability and survivability. Here are two cases in point:

**IBM.** As Lohr states, “In the early 1990s, IBM nearly ran out of money. Its mainframe business was reeling under pressure from the lower-cost technology of personal computing.” This statement seems to convey that *money is the leading indicator of survivability* or that *profitability ensures viability*. Many people advance the notion that *cash is king*. Yes, cash is a key factor, but not the *only* factor or even the *leading* factor! Profitability does not ensure viability—*an enterprise requires much more than money to meet the yet-to-be-known challenges that lie ahead*.

At IBM, it is not that *computer technology ran its course*—it is that *IBM ran out of ideas regarding future technology*. They held onto the idea that maximizing profit was *the thing*. They ran out of *ideas* long before they ran out of *money*! IBM ceased focusing on the improvement and innovation of product and process (*quality*) and turned attention to making the organization a profit-maximizing machine. The leaders limited IBM to being a mainframe company, impeding their ability to per-

ceive a different future. As Lohr noted, “Evolving beyond past success is a daunting task.” *Nothing fails like success!*

Had IBM focused on *quality*—improving and innovating computer technology rather than maximizing profitability of mainframes—they likely would have avoided a near-death-experience. They would not have tied the enterprise to the limited life of one idea.

**General Motors.** In a time when *the future is not the past*—leaders must sustain viability. Yet most leaders focus on maximizing near-term profit, as if the long-term is simply the sum of a series of short-terms. The fallacy of *profit-above-all-else* thinking is illustrated in the failure of another pillar of egoistic capitalism, General Motors—a corporation wherein the *long-view* was the *wrong view*! GM put profitability before viability and inevitably had to go on government life support to avoid death.



Many leaders fail to understand that *products and services* were first *ideas*. The continued emergence of ideas sustains an enterprise over time.

*Since change shapes our tomorrows, you need to be open to possibilities today.* It’s not inevitable that you must face *death* before *recreation* can occur—nor is it the way of *quality leadership*. If focused on *quality*, you’ll be poised to improve and innovate products, services, and processes. You’ll be committed to progress—not blindly bent on maximizing short-term profitability.

Sustaining competitive advantage is about maintaining and improving *the capability to create* and then *innovate the next idea* while delighting customers with existing products and services.

Since *order* and *change* are complementary, not mutually exclusive, wise leaders sustain both *order* and *change* to enhance *viability*. Holding *order* and *change* in mutual relation requires *vision*. If you are not committed to meeting

the yet-to-be-determined challenges of tomorrow, you should not be leading.

## How to Lead With Vision

Don’t wait for a crisis before thinking about a different future. Develop your thinking skills—*systems thinking, statistical thinking, critical thinking, and strategic thinking*—to lead with insight and vision. Here are six tips:

**1. Acknowledge the need to generate and develop ideas.** With technology begetting more technology, innovation appears to be increasing faster. So, if your business is not cutting edge, it may soon fail to make the cut.

**2. Take an “as if” approach when leading people.** Developing ideas is not so much a *skill* as it is a *mindset* about people that is evident in the *leadership experience* you provide. The beliefs and values that you hold in your mind prefigure the leadership experience you provide. This constitutes *your vision of people*. You relate to and lead people as you envision. By leading *as if* people are creative, you foster their creativity.

**3. See the difference between mission and vision.** Mission is the answer to the question, *what business are we in?* Vision is the answer to, *what’s the nature of the experiences we intend to create?* While *mission* is about the *means* of the enterprise, *vision* is about the *meaning*, about something deeper, unchanging, and greater than the enterprise itself.

**4. Co-create a collective vision.** Don’t simply share your vision—*co-create a collective vision and demonstrate your belief in the power of others*. With *meaning* being relational, and *vision* being a description of how people relate to each other and to the work of the organization, *vision becomes a way to meaning*. An enacted vision is the sense of order vital to a potential-actualizing system.

**5. Provide the space for creativity.** Guided by vision, create the physical and psychological space through a *structure* designed to support the continuous development of capability, not the exercise of control. Your *structure, policy, and management practice* should enable the emergence of creativity.

**6. Establish a system for learning.** Cease *managing by results* and begin *leading with knowledge*. Institute a system for learning where *everyone* engages in continuous improvement and innovation. Learn about quality to see the *why, what* and *how*—educate *yourself* before educating and training others. LE

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**ACTION:** Lead with vision and creative ideas.

# Three Key Behaviors

Practice them to boost performance.



by Tara Jones

AS A LEADER, YOU'RE always looking for your people to "go longer, work harder and give more than anyone else" as Vince Lombardi once said. But in this *more with less* culture of high targets and high redundancy, and such uncertainty of the future with the debt crisis and threat of the double dip—can we really expect to get this? People are looking even more to their leaders for answers, for certainty, for confidence in the future.

*Performance targets are unlikely to be achieved in the absence of effective leadership*—and yet leaders don't do the performance: leaders lead people to deliver the results. Leaders can tell people what to do and how to do it, since they have the position, authority, status, and power. But if leaders seek *sustainable behavior change and high performance*, they need to influence their people's attitude—their mindset—in a way that makes them want to do things. For employees to say, *I do it because I want to do it, not because I'm told to do it*, they need to have a *compelling reason* and *support* for achieving more with less. Great leaders have a big impact on performance, satisfaction, motivation, commitment, engagement, loyalty, and trust. People want to enjoy their job, to feel good about it, and be proud of their employer.

## Three Critical Behaviors

So, what should leaders focus on? To create a culture where high performance is inevitable and sustainable, leaders need to practice three behaviors:

**1. Vision.** Leaders must develop and communicate a compelling vision that inspires people. A clear, compelling vision is a core predictor of performance. One simple and clear vision is Disney's *Making people happy*. People also need to connect emotionally with the vision—it needs to be strong and meaningful to them. Visions that contain socially-oriented values increase emotional bonds to the company; and hence engagement and commitment to the work. During tough times, people need to know what is expected of

them and how *what they do daily* contributes to achieving the vision. The vision also needs to be aimed at promoting *co-operation* among people and teams—getting them to want to work together toward a common goal. Leaders need to *paint a picture* to help their people identify with the vision—and the goals that will lead to it—so they become *we* goals, and people talk about *how we're going to do that*. You'll get more *engagement* and *ownership* when you involve people and teams in working out the *how* of achieving goals, since they're delivering the performance.

*How the vision is shared is as vital as the vision itself.* It's not enough to create a clear, compelling vision—and present and explain it at road shows, town halls and vision posters. *The vision needs to be lived.* Leaders need to *model behaviors*



congruent with the vision. They need to *set an example* to their people and ensure that *their behavior is consistent with values they espouse*. People watch their leaders, trying to interpret their words and moves to see if they're *walking the talk*. Every informal conversation needs to reinforce the vision. It's no good talking about cost-cutting—and then expensing for a lavish lunch; or talking about creating a feedback culture—then withholding feedback. Get the vision right—and live it!

**2. Challenge.** Leaders must also challenge their people to keep them focused on *delivering high performance*. If leaders expect high performance, they need to show how much they believe their people can achieve it—and demonstrate that belief in their words and in non-verbal behavior. Imagine a leader who tells people that she has high expectations of them achieving great performance, yet says it in a monotone voice, while fidgeting and not making

any eye contact. They're unlikely to feel that she really believes in them!

In tough times, more leaders focus on the *here and now*, getting stuck in the details, even making their report's decisions—thus removing their autonomy, ownership, responsibility, and intellectual stimulation. Rather than say, *That's the way it's always been done* or *That's how I do it*, leaders should challenge people to come up with different methods and solutions; to re-examine their assumptions about their work; to rethink how it can be performed; to let them strive to achieve it; to make decisions for themselves; to find solutions to their own challenges, rather than relying on you, their leader.

**3. Support.** If you provide a vision and challenge people to deliver it, you need to *support* them to achieve it. Enable people to share their views and opinions, to feel valued for their contributions, and to seek help when they need it. Demonstrate respect for individuals and concern for their personal feelings, needs, and development (*servant leadership*). Support can also come in the form of training, development, coaching, or reward for a job well done. *Reward* doesn't always mean *money*. Find creative ways to reward great performance. What better way to maintain motivation than to *personalize rewards*. Sometimes people just need to hear a personal *thank-you* and *great job* from the boss, or gain increased autonomy or responsibility. They need to know when they aren't doing a great job, and discuss what they need to do differently. Create a feedback-rich culture.

**Assess yourself** to determine if you provide the right balance of *vision, challenge* and *support*. **Do I:** *Provide my people with a compelling vision for the future? Make everyday tasks and goals meaningful to people by relating them to the vision? Give a clear picture of what I expect from them? Act as a positive role model for people to follow? Provide direction and support to my people during times of uncertainty? Demonstrate belief in my people's ability to achieve high performance and results? Show interest in my people as individuals, and not just interest in the job they are doing? Have high performance expectations of myself and my team? Encourage my people to take appropriate risks in order to achieve results? Encourage my people to articulate their views and opinions? Provide developmental feedback when they get it wrong? Let people know when they're doing a great job?* LE

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**ACTION:** Assess your performance behaviors.

# Leading From the Bottom

*Start turning your leadership upside down.*



by Graham Jones

**T**OO MANY LEADERS adopt a *top-down* approach to their roles. It's the *obvious, easy* option. Structures are drawn with leaders at the top, and leaders are expected to inspire followership among *the people below*. Often, I hear the dreadful word *subordinates*, which perpetuates the notion of leaders being on top, directing their minions who cater to their whims. Leaders talk about *cascading* their vision, *down!*

So the language, ethos, and culture in most organizations perpetuates and exacerbates an unchallenged protocol that leaders should adopt a *top-down approach*. But what if leaders turned their profession on its head and adopted a *bottom-line* approach?

## Where Do You Start?

Most theories and models of leadership overcomplicate a role which is quite straightforward. At the simplest level, leaders are tasked with delivering performance that will satisfy key stakeholders. If this performance is to be delivered and sustained, then leaders must oversee the creation of a culture that enables it to be delivered.

So there are *three core elements* to get right: leadership, performance, and environment. But where do you start? This is where too many leaders take the easy route and start with their own leadership. Why not? Leaders usually get promoted to leadership positions because of their *personal attributes*, whether it be their experience, achievements, knowledge, skills, etc. They have reached leadership positions because of who and what they are so that it is natural that they should start from and rely on what has got them to where they are.

The environment leaders create will inevitably reflect the stamp that they impose upon it. At the extreme, there is the danger of producing clones and delivering performance which is a direct function of the strengths of the leader, but which is also limited by his or her weaknesses.

The resulting performance could well satisfy key stakeholders, but will

it reflect the *true potential* of the people and the organization? I see too many organizations where performance is constrained by the limitations of the senior leaders. Sadly, this is not just about *capability* but about their *motives*. Their *self-interest* gets the better of them and the organization comes second.

## Turning Leadership Upside Down

*Bottom-line leadership (BLL) is about putting performance first.* But it is more than achieving the performance that keeps stakeholders happy; it's about *the future health of the organization*. Leaders often focus too much on delivering numbers-driven short-term KPIs and targets which could jeopardize their future growth and sustainability. The BLL approach recognizes the multidimensional nature of performance and



the attention that needs to be paid to other performance measures such as *innovation, people engagement, efficiency, and, clearly-defined milestones* that lead to the achievement of the *vision*.

BLLs then *define the environment* that will *deliver the performance*. What *enablers* and *incentives* need to be in place to ensure performance? What *values* will drive success? What *attitudes, mindsets, and behaviors* are required of the people who will deliver the performance? How will these things be measured?

Whatever the answers, *six critical factors need to be met to deliver sustainable high performance*:

- Individuals and teams are *clear* about what is expected of them on a day-to-day basis as well as in the longer-term
- Success is recognized and celebrated
- People thrive in conditions where *high performance expectations* are accompanied by *high support* to achieve them
- Delegation and empowerment are the norm, being underpinned by good working relationships, a feedback cul-

ture, accountability and ownership, and clearly-defined goals

- The *we're in it together* mindset is the foundation of high performing teams
- *Healthy competition* exists in the form of shared learning and commitment to everyone's development, and individual and team goals being aligned

Only when the multidimensional performance is identified, and culture required to deliver it is defined, can bottom-line leadership be mapped out.

## Being A Bottom-Line Leader

Bottom-line leaders require *agility* and *flexibility* to stay in tune with their environment. They take nothing for granted when it comes to their people's commitment, loyalty, and engagement. They know that no matter how good a job they do as a leader, some people will be disgruntled and disengaged. They devote time and energy to listening to their people's views and showing *empathy*, knowing this is vital in the harsh, *new normal* commercial world.

*Leading from the bottom involves building and maintaining day-to-day relationships with colleagues.* BLLs may gravitate toward certain people, but they also establish good relations with others they don't always connect with. They display *humility* so people feel comfortable telling them what they think and come forward with *ideas*. This keeps them up on what's happening so that they can deal with issues quickly. *These leaders never stand still.* Whether it is driving internal change aimed at sustaining and enhancing engagement and the culture required to deliver high performance, or innovating to maintain and gain competitive advantage, BLLs strive to stay ahead of the game. This involves planning *what-if scenarios* so they are prepared for as many surprises as possible. These leaders expect the unexpected, and they are ready for it.

*Of course, being a BLL is demanding.* Much of their time is spent operating outside their comfort zone. *Self-belief, adaptability, and resilience* are needed when times get tough and setbacks test these leaders' inner strength. *Mental toughness* becomes a crucial attribute.

BLL is *not* focusing *solely* on delivering the numbers. It is about *ensuring the future health of organizations* by *prioritizing and defining multidimensional performance measures, creating and maintaining the environment that will deliver them, and leading in a way that is in total alignment.* LE

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**ACTION:** Meet the six factors of high performance.

# Leading with Social Skill

*Forget about traits; learn to lead people.*



by Ronald E. Riggio

THE SEARCH FOR TRAITS that predict effective leadership continues.

While we do know that personality traits such as *extraversion*, *emotional stability*, and *agreeableness*, do predict leadership effectiveness, the relationships are not strong. Moreover, traits are formed early, and can't be changed much. We suggest that a better approach to understanding leader effectiveness (and for developing leaders) is to focus not on traits, but on basic social skills.

Leadership is about managing social relationships. Having the right personality can help, but developing strong leader-follower bonds, inspiring and motivating others, and tactfully managing conflict is about skill, not traits.

## Six Basic Social Skills

Our model consists of *six skills* that are important for successful social relationships and effective leadership. The first three skills deal with ability to communicate emotionally, involving skill in nonverbal communication.

- **Emotional expressiveness** is the ability to express emotions—to accurately send your feelings and emotional messages to others. It's part of a leader's ability to inspire others at a deep, emotional level. It's critical for charismatic leaders (yet they possess skills beyond the ability to affect, and *infect*, others emotionally). Leaders also need to express a positive and optimistic outlook in order to lead people forward.

- **Emotional sensitivity** is being able to read and interpret the emotions and feelings of others. A key to building trust in followers (or in any interpersonal relationship) is to develop an emotional connection with others. Leaders who are emotionally sensitive are considered *empathic* and *in tune* with followers.

- **Emotional control** is ability to regulate emotions and control their expression. It is vital that leaders be able to control their emotional outbursts, particularly the display of negative emotions. *Fits of anger* are often the undoing of leaders, and being able to mask felt emotions (worry, concern, fear) with a

calm, positive expression goes a long way in leading people in crises.

If you are familiar with the *abilities approach to emotional intelligence*, you'll see that these skills coincide with some key abilities of persons with high EQ.

The next three skills are the *verbal/social counterparts* of emotional skills. These represent the key skills of *social intelligence*—the ability to read and understand social situations and dynamics, and perform in those social situations.

- **Social expressiveness** includes being verbally articulate, engaging others in social interactions, and managing impressions. *Social expressiveness* looks a lot like *extraversion*, but it's more carefully controlled, and more effective.

- **Social sensitivity** is skill in reading and interpreting social situations, and the subtleties of verbal communication. It involves knowledge of social rules, elements of



social etiquette, and the ability to monitor yourself in social situations.

- **Social control** is a *social role-playing skill*, developed over time, that allows a leader to *play the part*, and to *appear calm and in control* in social situations. This skill is consistently related to *leader effectiveness* because it is connected both with *acting the part*, while instilling confidence and *leadership self-efficacy*.

Although all of these social skills are important in developing good leader-follower relationships, *social expressiveness* and *social control*—are the best predictors of effective leadership. We call this combination *savoir-faire*, meaning *knowing how to do in leadership situations*.

## The Question of Balance

Effective leaders have these basic social skills in large amounts, and they balance the social skill dimensions. The amount of each skill, and relative balance (or imbalance) among the skills, creates different skill profiles—and different types of

leaders. For example, possessing social and emotional expressiveness—while lacking emotional and social control can cause a leader to appear *out of control*. The leader can't control strong emotions and may lash out at others.

Similarly, being too sensitive (both emotionally and socially) can cause a leader to be hypersensitive to others' feelings and opinions, and overly concerned with how he or she appears, or relates, to others. *Effective leaders develop high levels of each skill in such a way that the skills balance and complement one another*. When leaders have high social skills, and good balance among them, they're likely to be labeled *charismatic*—not just an emotionally-arousing leader, but a leader who can inspire, connect on a deep level with followers, and build *positive working relationships*.

The most important skills for leaders and executives are the social skills, particularly *social expressiveness* and *social control*. While there's evidence that extraverts make better leaders, when we put *social skills* into the equation, the social skills mediate the entire relationship. In other words, the only extraverts who make good leaders are those who possess social skills.

**Social skills predict transformational leadership**—leaders who better connect with followers, motivate them to perform at high levels, and develop the followers' own leadership capacities. The connection between *social skills* and *effective leadership* is not surprising given the part that *emotional and social intelligence* play in leadership. However, rather than viewing these qualities in terms of *intelligences*, we view them as *trainable skills*.

**The six social skill dimensions can be measured** by a self-report instrument, the *Social Skills Inventory (SSI)*, published by MindGarden ([www.mindgarden.com](http://www.mindgarden.com)). It yields a report on each social skill dimension and assessment of relative balance among the dimensions. By understanding the social skills model, you can assess your social skills and get feedback on your social skill strengths and weaknesses.

Recently, the social skills model and SSI measure have been used to improve *interpersonal functioning*—for example, to train hostage negotiators and help people overcome shyness or fractured interpersonal relationships. Social skills are vital for developing effective leader-follower relationships, leading under stress or crisis, and developing the leadership capacity of team members. LE

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**ACTION: Cultivate these six social skills.**

# Leading With Purpose

Follow these four simple IDEA steps now.



by Henry Brashen and Wanda Gravett

**L**EADING WITH PURPOSE HELPS US AVOID leading by *accident*—a thoughtless process that can create disasters that can have a huge impact far beyond our immediate circles of influence. While it may seem obvious that we should *lead with purpose*, it isn't easy.

As leaders, we must act quickly, and we're often forced to address unforeseen situations. For instance, the market shifts, organizations are sold, key players change, and fuel costs skyrocket. Such situations require us to make a thoughtful, fast response to avoid an unfortunate reaction to unanticipated events. Without *purposeful planning*, there can't be *purposeful leadership* (PL).

PL can be achieved by following four simple IDEA steps:

**1. Inspire** others to achieve peak performance while enhancing job satisfaction, productivity, and morale. To motivate and inspire employees, PLs create conditions that incite employees to become *inspired* and *engaged*, resulting in an organization that is productive, nimble, and effective. To achieve this, PLs do three things: 1) *Develop and implement a clear mission* that resonates with everyone. Most organizations have a solid *mission statement*, but employees won't be on board if they disagree with the mission, don't feel the organization is working toward the mission, or aren't aware of the mission. Employees need to feel that their work *makes a difference* and contributes to mission fulfillment. 2) *Develop a clear vision statement*. Creating a clear and compelling vision of a positive future is critical to success. PLs use the vision to *unite* and *inspire* employees to achieve a common goal. 3) *Be a role model*. People watch to see that a leader's behaviors are consistent with what they advocate. When leaders effectively communicate and provide guidance and support—they are *inspirational*.

**2. Direct** others by *setting expectations* and clear, measurable goals and

by identifying and prioritizing who does what by when. Today, everyone has to do more with less. PLs inspire people, making it easy to set expectations about the quality of work and the level of accountability and direct communication. PLs take *four steps* to create a culture that enables them to make the best decisions: 1) Assess performance to ensure employees have the tools, resources, and support to do the job. Set consequences for performance so everyone is accountable, and *reward high performers*, inspiring them to coach and develop others. 2) Determine the most important things to do and clearly communicate them. 3) Provide the skills/resources necessary to get the job done through coaching, mentoring, training, and development. No matter how purposeful the leader, employees won't perform well in organizations



that have poor on-boarding and training. HR should work with leaders in developing employees. 4) Offer feedback and hold everyone accountable.

**3. Evolve** thoughts, data, and ideas into decisions by using critical thinking to assess the best course of action. Global business is defined by *unprecedented change*. A model reflecting this would depict *adaptation through change or evolution*. Survival relies on the ability to be *nimble, quick, and precise* in our actions. This model might also be viewed as *predictive* by identifying future needs for survival. Most problems aren't new—they tend to recur. What is different is how we choose to resolve them.

PLs know that problems tend to have a cycle and offer a starting place upon which to *build* and *improve* with innovative thought and action. *Starting from scratch every time we are challenged diminishes our response time—and edge!* PLs identify the start line ahead of where others target their efforts. They have a

clear advantage and method for moving forward rapidly. PLs draw on reserve knowledge when dynamics suddenly shift, such as the sudden departure of key leaders, board shifts, acquisitions, union actions. They anticipate *multiple scenarios* and develop strategies to turn on a dime and adjust to uncontrollable external factors (the cost of energy, emerging competition, regulation). *They know their team and their talents*, enabling them to call new plays into action with agility and decisiveness and to draw employees into the action with enthusiastic support.

Each time PLs drive change or experience the error of their way, they learn. They share their mistakes so that others can learn and grow from them. *Leaders should be learners*. PLs embrace ethical and innovative leadership as part of *how they do the work they do*. They help organizations not merely *survive* but *thrive long term!* Such companies are distinguished by *how* they get to the bottom line, not the bottom line. It's their respect for employees and customers and their ethical practices.

**4. Act decisively while staying on schedule.** *Action* is a key component of *leading with purpose*. It is about calling upon behaviors that create success while leading with strength and by example, drawing others into those same behaviors in pursuit of the same outcomes. It is about demonstrating that you are what you say and that you act in a certain manner with intent, using core values and beliefs as a basis for applying knowledge and experience.

Your actions must be purposeful, since they pull all other pieces of being purposeful together in order to hit targets, achieve success, and influence and develop others. Actions should match intentions since *others judge your actions* to determine if they are consistent with what you say you advocate or what actually *should be*. Then they either follow your lead, or don't. For PLs, action is what they do *and* what they drive.

*Leading with purpose draws upon your* knowledge, savvy, insight, and lessons learned from things gone awry and from those in your pack. *You never do it alone*. If you're a successful leader, you have a pack of *supporters, validators, and influencers, all on purpose*. Thus, the cycle of *inspiring, directing, evolving, and acting* begins again, as another PL emerges from the pack, inspired and led by the work of a *purposeful leader*. LE

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**ACTION:** Follow these four IDEA steps to PL.

# Ethical Criticism

Great leaders bring out the best.



by Bruce Weinstein

IT WAS THE WEEKLY TEAM meeting, no different from others. My friend John, his boss Cheryl, and his assistant Minsun, were planning their work for the week. John made a casual remark about the prestigious grant he'd been awarded, when Cheryl exploded.

"All I've heard about for weeks is your grant!" she blurted. John had never seen his boss show anger, and the two had worked together for years.

Cheryl stopped yelling, and John became quiet. Her anger had simmered for weeks, and it erupted violently. John confessed to me that he had talked much about the project for which he'd been given funds. It was valuable to his career, and he had worked hard to get it. He also admitted that although the organization had given

him some time each week to work on the project, he was spending *too much time* on it.

Cheryl was right; John had his priorities in the wrong order; nevertheless, Cheryl could have presented her criticism more respectfully. John was embarrassed to be dressed down in front of his assistant. Surely, Minsun did not have to be in on the bloodletting.

Cheryl did prompt John to rethink his priorities, but her style of criticism wasn't consistent with *ethical intelligence*—the art of doing the right thing and treating people the right way. It wasn't compatible with *leadership excellence*.

**What should be the goal of criticism?** You might achieve several goals: Help people get back on track; make them feel bad for what they did or didn't do; remind them of your power/authority; inspire/motivate them to do better work; display how clever, smart, or perturbed you are; or blow off steam. Flaunting your power doesn't improve the situation. Being nasty or instilling fear is disrespectful and hurtful.

*Ethically intelligent criticism seeks to bring out the best in others.* When you have power over someone else, you ought to use that power imbalanced constructively and seek to make things better, not worse. Cheryl's out-

burst was more about her own frustration than about helping John get back on track. It's understandable to be frustrated when people aren't doing their best work, but ethically intelligent criticism is given with an eye toward improving the other person, for that person's sake and for the sake of others.

## Ethically Intelligent Criticism

Here are four ways to give ethically intelligent criticism:

**1. Find the right setting.** Cheryl was right to criticize John, but she shouldn't have done so in front of John's assistant.

**2. Start with something positive or praiseworthy** that the person has done recently. Cheryl might say that she was glad John had gotten the grant he had worked so long and hard to earn.

Starting with praise is good from both an ethical and a psychological point of view. Ethically, it gives to others their due. Psychologically, it makes them receptive to what you're about to say.

**3. Focus on the behavior, not the person.** If you're troubled by a team member's work ethic—coming to work late, leaving early, spending too much time surfing the Internet—calling him or her *lazy* or *selfish* diminishes that person. It's also probably untrue; he/she has likely done good work in the past, and outside of work, may be full of energy. Instead of saying, "You're a goof-off," you could say, "You've been coming to work late often, and when you're here, you're not spending enough time on the projects you have to do."

The first is an insult; the second a valid complaint about a behavior.

**4. End on an inspiring note.** If this is a first offense and it's not egregious, don't give an ultimatum or threat. Instead of saying, "You'd better get your act together, or else," give your vote of confidence. People rise—or sink—to levels expected of them. EILs seek not to frighten but to inspire.

If you find yourself in Cheryl's position, speak privately to the troublesome employee, praise that person's contributions, mention specific concerns, and affirm your belief in him or her. The employee will likely make changes for the better, and you will have achieved the ultimate goal of excellent leadership.

People will pleasantly surprise you if you only give them the chance. **LE**

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**ACTION:** Be an ethically intelligent critic.



# What You Can Learn

from government leadership failure.



by Becky Shambaugh

RECENT EVENTS IN WASHINGTON have illuminated the stunning failure of our leadership. I've never before seen from various factions of government such a lack of collaboration and willingness to work together for the greater good of the country. Yet I choose to look for the silver lining—something we can learn.

Most firms have processes in place to encourage people to work together, yet they still struggle with collaboration between leadership levels, departments, genders, generations, and cultures. A *culture of collaboration* starts at the top. How well leaders work together sets the tone for how others work together. If the vice presidents of sales and customer service won't collaborate for the good of the customer, don't expect their teams to work together either.

**One big factor in collaboration is that too many leaders are trapped in 20th-century leadership models that simply don't work today.** Our world is becoming more complex and interconnected. We can't use the thinking and decision-making processes to navigate the global terrain that we used just 10 years ago. It will take a fully engaged, collaborative and cross-functional group working toward a common cause to deal with tough, complex problems. If leaders don't put away their political agendas and egos, *it will catch up with them.*

I once worked with a Fortune 150 organization that had exceptional growth for 20 years. But things started to go awry, and they lost key contracts and market share. The leaders called us to assess the situation. We discovered that *their leadership was the problem.* First, they lacked clarity about objectives. Second, departments were not working together—the *silos* mentality and blame game were rampant. The lack of collaboration between functions created a ripple effect that reached to customers. With a *targeted leadership development approach*, we worked with the leaders to get the organization back on track.

**You can move beyond organizational politics, find common ground, and work toward common goals using five ideas:**

- **Take time to build relationships and build the team.** We saw this strategy

when President Obama and Speaker of the House John Boehner took time out from intense negotiations to play golf. A key element of integrated, balanced leadership is getting out of the regular workplace and building relationships. When you know someone as a human being—as more than their title or position—it is easier to find a way to work together. Executive sessions, team-building efforts, and offsite retreats can build rapport and trust, help people to agree on common ground or common vision.

- **Step back and ask, “Who are we really serving?”** I wonder how different the outcome of debt negotiations would be if those in our government had remembered that they were elected to serve the citizens. Leaders get caught up in the same situation and succumb to the same problem—forgetting whom it is they serve. They become so focused on the process that they lose sight of their purpose: to provide value to the customer. Leaders need to develop and consistently communicate a shared vision that inspires and engages everyone and connects them to those they serve.

- **Be accountable and accept responsibility for problems.** In this debt crisis, we blame everyone except ourselves. Yet we’re part of government and should accept responsibility for creating our budget problem, and hold ourselves accountable for fixing it. Leaders have a hand in creating problems, if only by being asleep at the wheel. *Blaming others doesn’t solve anything.* Taking responsibility is a first step in the right direction.

- **Leverage the rich diversity of ideas, perspectives, and experiences around you.** Leaders need to capitalize on that diversity to produce better outcomes and navigate different viewpoints to reach successful conclusions. Leaders should be *role models* for embracing new ideas, being open to other perspectives, fostering innovation and collaboration, and compromising when necessary.

- **Make the hard decisions now.** If you can’t make the tough choices now, what makes you think you will be able to do it later? Leadership calls for courage, for stepping out of the status quo to make the difficult decision.

**Out of tough situations emerge powerful and impactful leaders.** Your organization needs *authentic leadership*. So, tear down silos, embrace collaboration, and build bridges. This is your chance to lead, to do something big, and to show others what is possible. LE

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**ACTION:** Provide authentic leadership.

## Build Your Brand

When you have a leader role.



by Suzanne Bates

IN 2003, FRED COOK became the third CEO of Golin Harris in 54 years, when Al Golin stepped aside. As the baton was passed, the financial picture at Golin Harris was shaky. “We had grown complacent, resting on our laurels. A collaborative, friendly and supportive culture meant that we would lose a new business pitch, and you’d see a flurry of emails congratulating everybody for coming in second or third.”

Cook wondered how he could infuse a winning attitude, part of his brand, without losing what worked at Golin Harris. He wanted to turn up the heat and change the chemistry of the company, without changing the people.

**Think of a time when you’ve started in a new role.** You have good people, and good values, but something isn’t working. *How do you preserve what works and still drive forward?* One big challenge is building a brand—and intertwining your personal brand with your company’s brand. You need to enhance brand awareness by using your personal brand to highlight the company brand.

Cook first celebrated what he wanted to emphasize—a winning attitude. “If a team won new business, I sent out trophies, a note from me, and a gift card for \$50.” Rewards and recognition create *tangible reminders of the values* that you want.

**You also have to start measuring people by those actions and behaviors.** Once you define a value, learn how to measure it, track it, and communicate results. Golin Harris started tracking winning success every way they could measure it; and by 2007, four years later, they won Agency of the Year awards.

**The next challenge is sustaining the momentum.** How do you keep it going? At Golin Harris, one Agency Award trophy was mailed from office to office, all 30. People sent back videos of the trophy. They had it in front of the Eiffel Tower, on a ferry boat in Hong Kong; we shared all this on our web site.

**Within a few years, the company was thriving financially.** “We went from no profit to 20 percent margin without chang-

ing any senior managers,” says Cook. Golin Harris preserved what worked, while infusing a new value, by highlighting the value and making the message stick. People were excited because they were part of a winning team.

### Building Brand in a New Role

Fred Cook wasn’t well-known to the Golin Harris leadership team when he was brought from LA to Chicago and then made CEO a few months later. He sensed the challenge: “It’s one thing to be given a title and another to *earn the respect that comes with the title*,” he said.

**Cook talked one-on-one with each leader.** “I wanted to understand their strengths, leverage them, and convince them *the change was good for the company*.” This built momentum for a course of action. If this doesn’t happen, you need to take action. One person who is not committed can sink the ship. You have to ask for, and receive, *100 percent commitment*. As you start in a new role, build trust, get people on board, and assess if they are all with you, hearts and minds.

**Once everyone is on board, cascade the message.** This takes sustained effort. People need to hear the message *many times*, feel it, and believe it. You must connect logically and emotionally. It has to stick. Communicating is the most

*important thing you do.* If you don’t keep it going, people will dismiss the message as just a passing fad.

**A good communications strategy is necessary to execute any business plan.** Plan daily, weekly and monthly communication activities.

Have meetings, written communication, and *clever reminders* that keep the message front and center.

You drive the communication plan and are responsible for it, but you can’t be the only one to deliver the message. Include *everyone in the organization*.

**Your leadership brand is most valuable when it is known by many others.** You have to create buzz. Like a product brand, *your leadership brand impact is measured by the number of people who are aware of you and have a positive impression.* Does your name spring to mind when people think of leaders in your space? Do they call you for a comment, or to give a speech, or be on a panel? When people are looking to do business in your category or industry, *being the first person they think of is invaluable.* LE

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**ACTION:** Build your leadership brand.



# Entrepreneurial Leaders

*You can take five actions to become one.*



by Danna Greenberg, Kate McKone-Sweet, and H. James Wilson

OVER THE YEARS, WE'VE EXPLORED HOW to change existing models of education and development to shape the next generation of leaders. We don't just need to change our approach to developing leaders—we need a new way of characterizing leadership as we need more *entrepreneurial leaders* (ELs) who use a *distinct way of thinking* based on a *different world view of business*.

ELs understand themselves and the contexts in which they work, and act on and shape opportunities that create value for their organizations, stakeholders, and society. They're driven by their desire to create social, environmental, and economic opportunities. Rather than being discouraged by few resources or high uncertainty, they tackle these situations by taking action and experimenting with new solutions to old problems. ELs refuse to cynically or lethargically resign themselves to problems. Through self-reflection, analysis, resourcefulness, and creative thinking and action, they find ways to inspire and lead others to tackle seemingly intractable problems.

EL is not synonymous with *entrepreneurship*. It's a *new model of leadership*. Entrepreneurs, and the discipline of *entrepreneurship*, are often focused on *new venture creation*. ELs work in established organizations, introducing new products, processes, and expansion opportunities; work in social ventures, tackling societal problems that others have ignored; and build engagement in social and political movements; and change existing services and policies in NGOs and in governments.

ELs are united by their ability to *think and act differently* to improve their organizations and the world.

## Follow Three Principles

Three *interlinked principles* guide ELs:

1. **Cognitive ambidexterity.** ELs use both *prediction logic* and *creation logic* in

their decision-making. When goals and culture reflect the past, ELs can apply analytical models to *predict* what should be done next. When the future is unknowable and bears little resemblance to the past, ELs *create the future* through *action* and *experimentation*.

2. **A worldview guided by social, environmental, and economic responsibility and sustainability (SEERS).** ELs navigate *social, environmental, and economic value creation* and the *inherent tensions* and potential *synergies*.

3. **Self-and social awareness.** Through an *authentic and insightful* understanding of their own sense of purpose and identity and of how they are affected by the context around them, ELs make more effective decisions in uncertain and unknowable circumstances.

We find that *ELs differentiate themselves by leveraging the inherent connections among the three principles*. They give the principles new life and practical meaning rooted in these relationships.

## Take Five Actions

By *methodically taking five actions*—and *deliberately learning* as you move from one to the next—you *become* an EL:

**Action 1: Understand when (and when not) to apply prediction logic.** ELs know how and when to use *analytical approaches*. *Prediction logic*, the use of an analytical approach, is an extension of the scientific method in which people learn to *think, evaluate, and act* to move toward predefined goals. The premise is that you can protect against or control the future through detailed analysis, such as data mining, market research, and statistical tools to identify and develop opportunities. Prediction logic is most applicable for situations in which *goals are predetermined, issues are clear, cause and effects are understood, and the data are reliable and available*. This assumes that *an uncertain future can be predicted and decisions made based on those predictions*.

**Action 2: Apply creation logic to unknown contexts or analysis-resistant opportunities.** Novelty or complexity limits predictive capabilities. In new or complex circumstances in which tradi-

tional cause-and-effect relationships are unknown, ELs apply a different logic based in *action, discovery, and creation*. We label this *creation logic*. As surprises arise, ELs adapt to or overcome them. *Creation logic* enables leaders to make decisions by beginning with thoughtful action that gives rise to new data that can be analyzed to guide future action.

**Action 3: View prediction logic and creation logic as complementary and necessary keys to performance.** All ELs need to employ both *creation and prediction* logics and cycle between the two as they introduce new ideas or initiatives. This enables them to *effectively innovate* and manage change. Teaching ELs *cognitive ambidexterity* involves showing them the *underlying theories and methods* and having them apply and alternate between them.



**Action 4: Consider social, environmental, and economic value creation simultaneously (not sequentially).** ELs must understand the *inherent tensions and potential synergies* that exist among *social, environmental, and economic value creation*. They must learn how to assess the interests, rights, and powers

of diverse stakeholders. Rather than ask whether a sustainability solution to a challenge is possible, ELs need to learn how to develop, implement, and measure the effects of responsible and sustainable solutions.

**Action 5: Know that your decisions and actions are embedded in unique social contexts.** ELs engage in a *new way of knowing* based on an *expansive view of business*. By understanding their own perspective and the world around them, ELs are better prepared to gather and apply *diverse perspectives* as they respond to situations that are *uncertain and unknown*—and to effectively co-create an opportunity and to negotiate the uncertain and ambiguous results that can arise from their decision-making.

ELs see the *social, environmental, and economic implications* of their decisions and actions. They explore three critical questions: *Who am I? What is the context in which I am situated? Whom do I know, and to what does that give me access?* This enables them to make *responsible choices* as they choose a path of action, even in uncertain situations.

LE

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**ACTION: Take these five actions of ELs.**

# Moral Leadership

*It's the key to great companies.*



by Doug Lennick and Fred Kiel

WHEN FACED WITH DIFFICULT MARKET challenges, most leaders prioritize short-term financial gain over everything else, including their long-term responsibility to customers and employees. Leaders' cognitive intelligence (IQ), coupled with their expertise (technical intelligence), have led leaders to believe a focus on short-term financial gain is their best choice. Their choice may lead to policies that might make it difficult for some customers or employees, but they think that it's necessary for the company to survive longer-term.

Experts label *cognitive* and *technical* intelligence as *threshold competencies*—the price of admission to leadership ranks. And yet the high-profile failures of companies since 2008 have taught us that such threshold competencies are no longer sufficient for exceptional performance or even survival.

Leaders who outpace their competition apply *moral intelligence*. These are *moral leaders*—not solely focused on financial gain. They apply *values*, such as *personal integrity* and *compassion*, to their decisions. These *values* guide their responsibility to employees, customers, or shareholders. A moral compass is at the heart of sustained success.

*There are many examples of morally intelligent leaders to inspire us.* Moral courage doesn't develop overnight. Most successful leaders are morally gifted, but few are moral geniuses. They all make mistakes from time to time, and, earlier in their careers, they typically made moral mistakes more often. But because of their high moral intelligence, they are quick studies.

## Becoming a Moral Leader

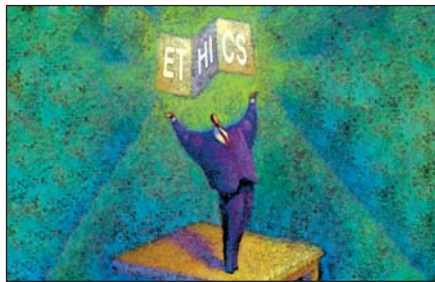
*Moral intelligence* is nurtured in our early years by our family or caregivers and in the workplace, as well. *Moral competence* is an outgrowth of *living in alignment*—the interconnection of your moral compass (basic moral principles, values, and beliefs), and your goals and

behaviors, including your thoughts, emotions, and external actions.

To develop *moral intelligence*, leaders must first understand that: *effective leadership* begins with *effective self-management*, which begins with *self-awareness* and ends with *living in alignment*. And, *living in alignment* is about aligning *personal reality* (thoughts, emotions, actions) with *organizational and individual goals* and with *the ideals in our moral compass* (principles, values, beliefs).

*Moral leaders begin by asking:* Who am I ideally? Who am I really? What are my goals? What are my strengths? What are my gaps? What do I need to learn? What behaviors do I need to change?

Reflecting on your personal values helps build a trusting and trustworthy culture through: *self-awareness* (what are your values?); *self-disclosure* (share your values); and *discovery of others* (discover the values of those who report to you).



But a moral leader's personal reality—the moment-to-moment experience of *thought, emotion and action*—is changing. For the most part, our personal reality can be managed through exercising *the power of personal choice*. We can't choose our emotions or involuntary biological processes, but *we can choose what to think, what to think about, how to think about it, what we do and what we say*.

You can change what you think, your tone of voice, the look on your face and what you do. And when you change what you think and do, you influence the emotions you feel and your involuntary biological and physical processes.

Whether you're in alignment or not, you're always influencing those around you. *Positively influencing others is what effective leadership is all about.*

## Connect Reality with Moral Principles

We're all fallible human beings, and perfection will escape us. We might embrace the principles, which means

we're morally intelligent, but *sometimes we may not live up to them*. In those times, we'll be morally intelligent and morally incompetent simultaneously.

Fortunately, we can enhance competencies related to the principles:

- **Integrity:** Acting consistently with principles, values, and beliefs; telling the truth; standing up for what's right; keeping promises.

- **Responsibility:** Taking responsibility for personal choices; admitting mistakes and failures; and responsibly serving others.

- **Compassion:** Actively caring about others.

- **Forgiveness:** Letting go of one's own mistakes; letting go of others' mistakes.

We can't choose the moral principles—they exist independent of our acceptance of them. Also, we can't choose our emotions. What we can choose are our *values, beliefs, goals, thoughts, and actions*. And, we can choose to change those to better align with the *principles*.

*When you're a leader, you're always on stage.* Everything you do is scrutinized, analyzed and interpreted. It's hard to hide bad behavior. But there is an upside to your visibility—you can model moral skills and messages for others by standing up for what's right.

When you are highly skilled in the moral competencies, *you can use your leadership power and visibility to produce the best business results*. Moral leaders inspire their followers' best efforts by being compassionate and forgiving. When followers see that leaders *actively care about them* and let go of mistakes, they forge a bond with their leaders.

*In addition to proficiency in moral and emotional competencies, effective leaders are inspired by a belief in the essential goodness of their people.* This encourages employees to live in alignment, release their positive energy, and contribute their best efforts. As a moral leader, *you hold yourself responsible* for helping others stay aligned with ideals important to them—while creating organizational policies, practices and reward systems based on moral values.

Every organization lives within a community. Moral leaders consider these three different levels of responsibility for communities: *Do no harm; add current value; and add future value.*

Mark Twain said, "It is curious that *physical courage* should be so common in the world and *moral courage* so rare."

It's time for *moral courage* to take center stage and for leaders to accept the responsibility that comes with prominence. **LE**

Doug Lennick is CEO and Co-founder of the Lennick Aberman Group, a performance-enhancement consulting firm. Fred Kiel, Ph.D., is co-founder of KRW International. They are coauthors of *Moral Intelligence 2.0*. Visit [www.lennickaberman.com](http://www.lennickaberman.com).

**ACTION:** Exercise your moral leadership.

# LD Accountability

What's your program's impact?



by Laura Paramoure

**A**LL LEADERS UNDERSTAND the need for accountability—meaning people accept responsibility for the things or areas they impact. Job descriptions and performance evaluations are often used to help employees understand their areas of responsibility and identify the metrics for measuring their performance. Company metrics (formal and informal) are used to measure organizational health regularly and hold individuals, teams, and departments accountable for their results.

Since the need for accountability is understood, *why is accountability for training and leadership development still so illusive?* Why is it so difficult to hold stakeholders accountable? What should the results be? What stakeholders are responsible for results? What metrics best reflect training impact?

The inability to quantify training results has led to *anecdotal measurements* such as training operations numbers and conversion from classroom to e-learning as a means to show ROI. But these numbers don't show training's real impact (results) and look only at the trainer's activities to show accountability for training's benefit.

*Senior leaders continue to question the value of training/LD, forcing directors to quantify their impact.* Progress is being made on *how to define and quantify training results.* Hard questions are being asked about what training can impact and who is responsible for ensuring training success.

*What can training impact?* Training can address the knowledge, skill, or attitude of a student; add to a student's knowledge; help students gain a skill; or help students change their attitude. The evaluation/impact of training can be made by determining how much students have learned, what *behaviors* students have changed, and what are the *results* due to behavior change. Reviewing these *impact points* helps us to understand who is accountable for the results at each point. In addition to *trainer and student, other stakeholders* are accountable for training results.

Training often begins with a request by a manager who believes his team needs training and moves through *four impact points*: planning, classroom learning, behavior changes due to learning, and organizational impact.

**1. Planning.** The planning of the training intervention is usually a brief discussion between the manager and the trainer to identify the content of the training program, when it is to be given and who is to receive the training. During the planning stage, the standard for content is identified, and if done correctly, necessary organizational impact is determined. Since impact to an organization requires training to be relevant to the job, the job relevancy and key performance metric need to be determined in the planning stage. To determine these



things collaboration between the training designer and the requesting manager is required. Both the trainer and the requesting manager are stakeholders and therefore should be held accountable for results at this stage.

**2. Classroom training/learning.** The training designers or facilitators are the only ones who can influence the result and be held accountable for this stage. Since the training function designs and delivers the content, it is ultimately up to the trainer to influence students and ensure they learn the material. The trainer has the major influence on the training methods and holds the greatest accountability for learning in the classroom. However, managers must also be held accountable for the accuracy and relevancy of the content. If the content is not relevant to the student's job, the trainer will have challenges motivating students to be engaged. Without engaged students, learning is difficult. If a manager reinforces the

importance and relevance of the training, the chances for success greatly increase. Also, if students know that they'll be required to apply their learning once they leave the classroom, motivation for learning is *doubly enhanced*.

**3. Behavior change.** Here the student applies/implements the knowledge and skills conveyed in the class. Since *application* of learning is the greatest factor in *retention* of the learning, this is a key stage for the manager to influence training success. The student has left the classroom and returned to the job, the manager must provide a place for the student to apply the newly gained knowledge and skill and be accountable for *training transfer to the job*. When there is collaboration between the manager and training designer before the class, the knowledge and skill will apply to the job, and the manager can reinforce the use of newly developed skills. The greater *accountability for training success* at this stage rests with the manager.

**4. Results/effects of the training.** If the *manager* collaborates with the *training designer* during the planning stage, and both parties determine *behavior changes* needed, *standards* for the behavior change, and *metrics* to be impacted by the training, then during the *effect stage*, managers, trainers, and students should be held accountable. The *manager* supplies the intended result, the standard for achieving the result, and the reinforcement of the learning. The *trainer* supplies the means to achieve the result, and *students* absorb the material and display the intended behavior.

A review of the areas of impact for training helps to define the stakeholders who are responsible/accountable for the results. Understanding the influence of the student's manager in the process helps to show the manager's authority before and after as vital for training success. During each stage, the impact can be measured. The standards of performance set by the manager and outlined in the training design by the trainer can be reviewed, performance metrics reflecting behavior change can be evaluated, and metrics can be assessed to monitor the success of learning. If there is success during the classroom stage and failure at the implementation stage, the main stakeholder to have influence on the result is the manager. All three stakeholders—*manager, trainer* and *students*—must work together to ensure the desired impact. **LE**

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**ACTION: Hold stakeholders accountable in LD.**

# Executive Profiling

*Seek inside-out applications.*



by Irving H. Buchen

**T**YPICALLY CEOs ARE anxious to know, *How am I doing? Am I perceived as effective, valued, even liked?* Although such feedback is always welcome, it's hard to find. Searching for answers is often perilous. *Whom shall I ask? How shall I phrase it? Putting a colleague on the spot may be awkward? Will I stand there with egg on my face?*

Then, too, what to expert? One enthusiastic *atta boy* or mumbling *not to worry?* How helpful is that? Of course, an executive coach or mentor might solve the problem.

But suppose such an alter ego is not available or has been less trustworthy or insightful. What then? Back to square one? Is there no other option? There is always *self-assessment*. But that is a problem in its own right. Although it minimizes self-exposure, it is often so emotionally biased that it involves often flagrant distortions and blind spots. Then even when you are right, you don't trust your objectivity.

But suppose the focus could be shifted—from *how am I doing* to *what I am doing*, from *judgment* to *data*, from *performance* to *process*, from the *outside* to the *inside*? Would a more objective search make a difference—make it more manageable, instructive, self-revealing, and interesting—tell you a great deal about yourself, almost as much as performance evaluation? After all, *how I am doing* is really about *what I am doing*—content and substance not just impacts—smarts, pride and admiration.

As a coach, I'm fascinated by how executives think their way into leadership—and how alike they are—how much transference there is—how cognition and framing shapes direction, sets up decision making, positions visioning. And because it is individualistic, it offers a unique electro-cardiogram—it is a one-of-a-kind rendering—a profile of *who you are*—your *brand*.

*Finally, how to record the process?* One temptation is to develop *cognition checklists* and compile and administer the items like a survey or test. Distillation would produce patterns, but it

would neither be a self-learning experience nor faithful to the dynamics and often impulsive nature of the executive thinking process. After all, that is the prize—the rare and unique portrait not of *how smart we are* but *how are we smart*. The *least intrusive* and *most revealing* way is a series of prompts designed as a model to structure self-analysis.

Avoiding emotional judgments, the process involves engaging in self-conversations, observing and recording the way you think, problem solve, and make decisions. It is an analytical autobiography—it is a unique compilation that builds in unobtrusively and seamlessly how you doing with what you are doing. It has been tested both with aspiring executives (where it seems to be predictive) and tenured CEOs. The responses have been affirmative; one



compared it to the confirmation that might be provided by installing and monitoring electrode brain implants.

The profile emerges in five stages:

## 1. Range: Priorities and preferences.

What makes you tick, stirs your dreams, fires you up? What gets her juices flowing and heart pumping? What will she endure? Does she like to fight? Will she sit for hours going over details and be absorbed to the oblivion of *everything/everyone* else? Is she happy, moody, or angry most of the time? What makes her energy rise or fall? Is she steady or mercurial? Does she like *crossword puzzles*?

## 2. Ego: Dominating or occasional?

How important is it to be *Numero Uno*? And be acknowledged as such by all? How does he react to praise? Does he swell or appear uncomfortable? Is he easily bruised or hurt? Is it more vital for him or the company to succeed? What is his *driving mission* in life? What legacy if any does he seek to leave? Does he consider himself so indispens-

able that the company will fall apart when he leaves? Does he thank others?

3. **Thinking: idea dynamics.** Is the CEO deliberate or fast; slow or quick; big picture or snapshot; present or future-oriented? Is he impatient with those who think differently? How does he show his pleasure or displeasure? Does the selection of his team mirror or contrast his thinking style? A company should not hire a CEO who is an intellectual lightweight. The capacity for powerful conceptualization is only a step away from powerful leadership.

## 4. Starting points: getting going.

How and where does she start off? What are her first questions? Does she characteristically offer or ask for background or history? How important is the past to her? Or does he prefer to plunge right in—in the middle of things—and move ahead quickly? Does she accept interruptions while holding forth or pause and seek reflective feedback at critical points? Does she tell clinching stories? Same ones? Does she reframe so that the discussion can return to the original track, but now it's more inclusive and consensual? Are her thinking and conversations from the beginning expansive or restricted, inviting or excluding?

## 5. End points: wrapping things up.

Are the CEO's conclusions arrived at cumulatively or sequentially? Does he incorporate opposing positions, or are they deleted in his summation? Is he always poised for action? Is he always calling for what's next? Do his conclusions tick off a detailed laundry list or are they a rapid and sweeping flourish? Does he take the time to relate all the parts and preserve all? Does he value the whole as a spawning context? And does he concern himself with follow-up? Or does he parcel out and delegate the final communication and implementation of a decision to others?

*Observation* is a skill; *self-observation* a science; *rendering* an art. All three must be brought to bear. We need to turn the inside out—allow the secret drivers to surface and take over. But that requires endowing, elevating, and equating the power of internal leadership thinking to be free and empowered—to display all its apps: running the company, shaping its culture, and uplifting the behavior of senior staff.

What remains to be done is to incorporate and recast the *five stages* into the executive interviewing process. LE

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**ACTION:** Create a profile of your leaders.

# LD Strategies

*The new normal is no growth.*



by Ted Prince

LEADERSHIP DEVELOPMENT (LD) approaches have an implicit assumption: that generally things are going up—sales, customers, profits—even if some of these might not be happening at a particular time. What happens if the reverse is the case?

It's clear that the US economy is in for several years of either low-growth, no growth, or even negative growth. How does this affect LD and training?

The *new normal* is either no sales growth or even negative sales growth, driven by *increasingly thrifty customers* who are deleveraging. This will take at least 10 years, probably longer. How do you train leaders to manage and guide organizations that must still increase shareholder value when GDP growth in real terms is zero?

When facing growth/profit crunches, leaders can't use traditional approaches: no debt or much less debt, no ability to throw capital around, growth must come organically, not just through M&A; no financial engineering to paper over fundamental problems; and less risk tolerance by boards. So most traditional MBA bromides can't be employed. And now leaders can't even count on employees. Compensation will decline in real terms. Employees will be viewed as variable costs. There will be fewer of them. They won't have pensions. They'll only get training when needed, likely be vocational, technical, or tactical in nature. So employee loyalty will diminish.

## Rational Decision-Making

The *new normal* coincides with a second major trend: most approaches that we consider to be *rational* are, in fact, driven by unconscious cognitive biases that skew our decisions dramatically away from what is truly rational.

This explains why brilliant executives and leaders can make obviously wrong decisions that yield terrible results. We saw this in the US financial crisis. The Europeans have the same basic problem. Firms such as Lehman and Bear Stearns, deemed to be *paragons of brilliant decision-making*, also show this effect.

Several *cognitive biases* lead to decisions being bad. One of these, the *framing bias*, is when we view decisions within the framework of what we unconsciously desire to be the case; so, in many situations, having more information actually leads to *worse decisions*.

Yet business education is still founded on the *pillar of rationality and data analysis* without considering how these real-world behavioral phenomena impact the decisions of leaders. LD programs still focus on case studies that assume that *we act wisely and in everyone's best interests when we have enough information*.

So we have two trends: 1) the new normal is no growth, and 2) most decisions are skewed toward poor financial outcomes. Could these two be linked? Could it be that bubbles are driven by unconscious biases that lead to terrible



financial outcomes? That we're doomed to repeat these until we see this? Yes!

To escape from the economic trap of the new no-growth normal, leaders need to understand that they will be part of the problem until they understand their own behaviors deeply enough to show them how to compensate for their own cognitive biases.

LD, executive training, and learning need new strategies for the new normal so that they can address the problem constructively. It is not an option to continue with the same learning and LD strategies that may have caused the problems we have already experienced.

The *New Normal requires laser focus on how behavior impacts financial outcomes*. Before the *new normal*, LD was focused on improving team and corporate functioning and increasing employee loyalty and engagement. These issues need to be addressed still. But in view of the dramatic new conditions of the new normal, there are even higher priority issues to be addressed. These

center around how to create capital in no-growth and even declining markets.

Training needs to show leaders how to *focus their behaviors on those that create capital* and reduce those behaviors that increase the risk of capital consumption, including the risk of corporate failure (while still accepting appropriate risk so that rewards are not adversely impacted by overly cautious behaviors).

These issues include *showing leaders and managers how to help*: employees and customers with capital creation through deleveraging behaviors: managers with capital increasing behaviors through more innovation and less resource utilization; partners and suppliers with capital-increasing behaviors; and companies with capital increasing competitive-strengthening behaviors.

Companies must deliberately set out to develop: Innovator behaviors (as distinct from innovation processes); cost leadership behaviors (as distinct from cost reduction processes); and lower-risk behaviors (not just lower-risk processes).

This training needs to show how the behavioral disciplines such as *behavioral finance* and *behavioral economics* can be leveraged to improve decision-making and financial outcomes. Also leaders and managers need to increase their sensitivity to the *cognitive biases* that impact them in their work and personal life.

Companies need to conduct new types of training for emerging and existing leaders to address five new challenges of the new normal: 1) training in *behavioral finance*—how behavior impacts financial outcomes and how to leverage this knowledge to improve the value of companies in an era of no- or negative growth; 2) *awareness training in cognitive biases* (and what types of biases specific people are subject to) in order to improve their effectiveness in decision-making and avoid unconscious biases that lead them to making decisions with poor financial outcomes; 3) training in *business acumen*—behaviors that lead to positive financial outcomes, and avoid approaches that depend on financial engineering that result in *unsustainable financial results* since they're not behaviorally-based; 4) *training* to show the precise links between cognitive biases, decision-making approaches and their impact on real-world financial statements; and 5) *simulations* that put these lessons into practice in situations that highlight the difference between *case-studies* and *real-world behavior*. LE

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**ACTION:** Focus on behaviors that impact outcomes.

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