Leading the Journey Towards **Inclusion** in Mining

M-PIN Facilitator Guide

MINING INDUSTRY
HUMAN RESOURCES COUNCIL
CONSEIL DES RESSOURCES HUMAINES
DE L'INDUSTRIE MINIÈRE

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About MiHR

The Mining Industry Human Resources Council (MiHR) is Canada's knowledge centre for mining labour market intelligence. An independent, non-profit organization, MiHR drives collaboration among mining and exploration companies, organized labour, contractors, educational institutions, industry associations and Indigenous groups to identify opportunities and address the human resource and labour market challenges facing the Canadian minerals and metals sector.

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The opinions and interpretations in this publication are those of the author and do not necessarily reflect those of the Government of Ontario.

FACILITATOR GUIDE

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PROGRAM OUTLINE

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Awareness and Assessment **Face-to-Face Session** Required Reading: • *"Strengthening Mining's Talent Alloy – Exploring Immigrant Inclusion"* • *The Cultural Intelligence Difference* by David Livermore • *The Inclusion Breakthrough* by Frederick A. Miller and Judith H. Katz	1
Finding and Keeping Talent **Webinar** Required Reading: • *The Inclusion Dividend* by Mark Kaplan and Mason Donovan published by Soundview Executive Book Summaries	2
Communication and Employee Development **Webinar** Required Reading: • *Working Global Smart*, Ernest Gundling. • "*Giving and Taking Feedback,"* Executive Edge Newsletter, Vol. 2, Issue 15.	3
Diversity, Strategy, and Leadership **Face-to-Face Session** Required Reading: • *Fierce Conversations*, Susan Scott. • *The Heart of Change,* John Kotter.	4

INTRODUCTION

RATIONALE

One of the targeted systemic changes as a result of the M-PIN Project is to Improve the way employers engage with international talent at every step in the HR cycle because ….

Projections show in the next decade the mining industry will have hiring requirements of 106,490 (MiHR 2016a) insufficient number of workers in Ontario with the right skills. Immigrants are an important aspect of the solution to meet the demand to help the mining sector meet its needs for talent. Immigrants are a source of talent under represented. Ontario's mining industry is lagging behind other sectors. 31% Ontario labour force immigrants only comprise 22% of provincial mining workforce. Not attracting enough immigrant talent within occupations that matter most to the industry (currently comprises 13% of Canada's mining workforce well below the Canadian workforce of 22%, and lower than other resource sectors.

M-PIN has determined that this objective will be achieved through a training intervention.

The results of this intervention will embed and formalize inclusive new policies/practices in the participating mining companies by:

1) Making barriers in organizational policies and practices more apparent, and

2) Equipping HR practitioners to address them while supporting the creation of an action plan to overcome those systemic barriers.

The **Leading the Journey Towards Inclusion in Mining** program "will train leaders in ways to increase diversity and inclusion in their organizations. It will offer practical, solutions-based learning tools and resources to implement best-practices in recruiting, on boarding and performance management of culturally diverse talent." Source -pilot funding Ontario Bridge Training Program.

The pilot of the program will be delivered to two groups of mining HR leaders (15 from northern Ontario and 15 HR from the Greater Toronto Area early in 2019.

PROGRAM GOALS

- Gain or deepen your understanding of the components and organizational value of inclusive workplace
- Learn, practice, and share tools and resources to effectively implement workplace policies and practices to create an inclusive workplace
- Learn to use evaluative tools to assess, identify, plan and measure impact for an effective Cultural Diversity and Inclusion strategy in your organization

OVERVIEW

To achieve the learning outcomes and accommodate learning styles and workplace commitments, a blended approach has been used: including face-to-face sessions, webinars, applied learning, supported by MiHR's Ensemble website.

PROGRAM DELIVERY

The curriculum includes four learning session: two face-to-face workshops, two webinars, and applied learning at the workplace, delivered over a four-month period with a focus on cultural diversity in the workplace. Through the live sessions, participants will have the opportunity to collaborate and connect with other HR professionals in the mining industry working on the same challenges.

The four sessions are:

- Awareness and Assessment (in person workshop – 6 hours)
- Finding and Keeping Talent
- Communications and Employee Development (Webinar-1.5 hours)
- Leadership and diversity (in-person workshop – 6hours)

The time commitment for participants, in addition to the learning sessions totaling 15 hours, involves some pre-session reading, goal setting and application of learning in the workplace, and a commitment to share their learning with colleagues at their workplaces.

TOOLS AND RESOURCES

PowerPoint slides have been provided for each of the four sessions, you may wish to add others as required to keep the content current and meaningful for the cohort of HR professionals in each program.

In addition to the readings and links used within the program, there are additional articles and references for you to use as appropriate.

Reading Resources - Session One

Mining Industry Human Resources Council (MiHR) 2016, *Exploring Immigrant Inclusion,* https://www.mihr.ca/pdf/publications/MiHR_Immigrant_Report_EN_WEB.pdf.

Livermore, David. *The Cultural Difference: Master the One Skill you Can't Live Without in Today's Global Economy.* Made available here as Soundview Executive Book Summaries, October 2018.

Kaplan, Barry & Manchester, Jeffrey. *The Power of Vulnerability: How to Create a Team of Leaders by Shifting Inward.* Made available here as Soundview Executive Boom Summaries, May 2918.

Miller, Frederick A. & Katz, Judith H. *The Inclusion Breakthrough: Unleashing the Real Power of Diversity.* Made available here as Soundview Executive Summaries, 2013.

Kaplan, Mark & Donovan, Mason. *The Inclusion Dividend: why Investing in Diversity & Inclusion Pays Off.* Made available here as Soundview Executive Boom Summaries, September 2013.

Reading Resources - Session Two

In order of presentation

BC Mining Human Resources Task Force. *Living the Dream* video series

Canada and British Columbia governments*, Hiring and Retaining Skilled Immigrants: A Cultural Competence Toolkit,* https://cphrbc.ca/wp-content/uploads/2012/08/itiguide.pdf

Explore More British Columbia. Skilled *Immigrant Recruitment & Retention Phase One & Two*

Mark Kaplan & Mason Donovan, *The Inclusion Dividend: Why Investing in Diversity & Inclusion Pays Off.*

MiHR, *"Strengthening Mining's Talent Alloy - Exemplary Practices in Inclusion*

Reading Resources - Session Three

Strengthen Your Personal Communication Skills," Executive Edge Newsletter, Vol. 1, Issue 15.

Bob Matha and Macy Boehm*, Beyond the Babble: Leadership Communication That Drives Results*, (2008). Wiley and Sons.

Ernest Gundling, *Working Global Smart*, (2003). Davies-Black Publishing.

TRIEC: Session 3 – Handout: Typical Tasks in Preparation for the Performance Appraisal Meeting

TRIEC: Session 3 – Handout: Comparison of Egalitarian and Hierarchical Attitudes and Behaviours Regarding Titles, Protocol, Face and Privileges3

Rodd Wagner and James Harter, 12, *The Elements of Great Managing*, (2006). Gallup.

James Kouzes and Barry Posner, *Encouraging the Heart*, (2003). Jossey-Bass.

Eric Mosley and Derek Irvine, *The Power of Thanks: How Social Recognition Empowers Employees and Creates a Best Place to Work*, (2014) Jossey-Bass.

Reading Resources - Session Four

Kaplan, Barry & Manchester, Jeffrey. *The Power of Vulnerability: How to Create a Team of Leaders by Shifting Inward,* (2018). Shift 180, LLC.

Kaplan, Mark & Donovan, Mason. *The Inclusion Dividend: Why Investing in Diversity & Inclusion Pays Off*, (2002).Berrett-Koehler Publishers, Inc.

Livermore, David. *The Cultural Intelligence Difference: Master the One Skill you Can't Live Without in Today's Global Economy*, (2011).AMACOM.

Miller, Frederick A. & Katz, Judith H. *The Inclusion Breakthrough: Unleashing the Real Power of Diversity*, (2002). Berrett-Koehler Publishers, Inc.

Mining Industry Human Resources Council (MiHR) 2016, Exploring Immigrant Inclusion

https://www.mihr.ca/pdf/publications/MiHR_Immigrant_Report_EN_WEB.pdf.

Wurzel, James, Ed. *Toward Multiculturalism: A Reader in Multiculturalism Education.* Intercultural Press, 1988.

MiHR, *Strengthening Mining's Talent Alloy: Exemplary Practices in Inclusion*

British Columbia Human Resource Association, *Hiring and Retaining Skilled Immigrant: A Cultural Competence Toolkit Guide,* https://cphrbc.ca/wp-content/uploads/2012/08/itiguide.pdf

Livermore, David. *Leading with Cultural Intelligence*, (2010). AMACOM.

Martin Dempsey and Ori Brafman Radical*, Inclusion: What the Post-9/11 World Should Have Taught Us About Leadership,* (2017). Mission day.

Terri Sjodin, *Small Message, Big Impact,* (2011). Green leaf Book Group Press.

Susan Scott, *Fierce Conversations: Achieving Success at Work & in Life, One Conversation at a Time*, and (2002) Penguin Group.

Susan Scott, Fierce Leadership: A *Bold Alternative to the Worst "Best" Practices of Business Today*, (2009). Random House, Inc

David S. Pottruck*, Stacking the Deck: How to Lead Breakthrough Change Against Any Odds*, (2014). Jossey-Bass.

John P. Kotter, *The Heart of Change*, (2002). Harvard Business School Press.

Susan Goldsworthy and Walter McFarland, *Choosing Change: How Leaders and Organizations Drive Results One Person at a Time,* (2014). McGraw-Hill.

John C. Maxwell, *The 360 Degree Leader*, (2006). Thomas Nelson Publishers.

Mary Abbajay, *Managing Up: How to Move Up, Win at Work and Succeed With Any Type of Boss*, (2018). John Wiley & Sons.

Lior Arussy, *Next Is Now: 5 Steps for Embracing Change –– Building a Business that Thrives into the Future* (2018). Simon & Schuster

CURRICULUM MAP

Program Learning Goals	Learning Outcomes - learners will:	Learning Activities/Session
Gain or deepen their understanding of the components and organizational values of an inclusive workplace	- Create a safe, inclusive and culturally respectful learning environment	Session one – Activity 2
	- Examine the business case for inclusion and diversity in the for profit sector	Session one – Activity 3
	- Explore the concepts of personal and organizational cultural competence	Session one – Activity 4
	- Explore challenges and potential barriers	Session one – Activity 5
	- Describe the importance of developing cultural competence and cross cultural communications skills in mining organizations with a focus on the role of the HR professional in serving employees, managers and leaders	Session three – Activity 2
	- Foster an appreciation of the role leaders play in leading change	Session four – Activity 2

Learn, practice and share tools and resources to effectively implement workplace policies and practices to create an inclusive workplace	- Explore effective recruitment and selection practices for hiring skilled immigrant talent for the mining sector	Session two – Activities 2, 3, 4
	- Examine culturally inclusive onboarding and orientation techniques for ensuring success of new hires in the mining industry	Session two – Activity 5
	- Design and implement performance development strategies using a series of key feedback questions and behaviours	Session three – Activity 3
	- Practice appreciation and recognition strategies that improve individual and team performance	Session three – Activities 3, 4
Learn to use evaluative tools to assess, identify, plan and measure impact for an effective cultural diversity and inclusion strategy in your organization	- Map individual learning goals to address cultural intelligence skills	Session one – Activity 6

	- Articulate the inclusion and diversity message in your “elevator speech”	Session four – Activity 4, 5 Session four – Activity 6
	- Examine and use an eight-step approach to organizational change	Session one - Activity 6 Session two - Activity 7 Session four - Activity 7

LEARNING ACTIVITIES BY SESSION

Session One: Awareness and Assessment

Face-to-Face Session

Activity 1: Community Building & Knowledge

Activity 2: Creating a Collaborative, Inclusive Workplace

Activity 3: The Business Case for Inclusion and Diversity

Activity 4: Walk Your Mining Company

Activity 5: Barriers and Challenges Circle Back

Activity 6: Mapping My Learning & Commitments

Session Two: Finding and Keeping Talent

Webinar

Activity 1: Welcome, Check In and Success Stories

Activity 2: Recruiting

Activity 3: Hiring - Unconscious Bias

Activity 4: Interviews

Activity 5: Onboarding

Activity 6: Inclusion Practices

Activity 7: Mapping Learning and Commitments

Session Three: Communication and Employee Development

Webinar

Activity 1: Welcome, Introduction, and Success Stories

Activity 2: Communication Styles

Activity 3: Giving and Receiving Feedback

Activity 4: Follow-Up To Session Three: Webinar

Session Four: Diversity, Strategy, and Leadership

Face-to-Face Session

Activity 1: Sharing Stories of Success From Session Three

Activity 2: Sharing Our Stories of Leaders We Respect

Activity 3: Inclusion Workplace Index

Activity 4: Influencing The Agenda of Inclusion

Activity 5: Speaking Truth to Power

Activity 6: Leading Change

Activity 7: Goal Setting And Commitment Cards

SESSION ONE: AWARENESS AND ASSESSMENT

INTRODUCTION

The first session introduces the HR professionals in the mining industry to the Leading the Journey Towards Inclusion in Mining program. These highly trained professionals come to the program with a wealth of knowledge and skills in HR practices and mining Industry experience. Your role will be to guide the discussions on inclusion, draw previous knowledge from the group and "fill in the blanks" to ensure they have the best information on cultural competence and inclusion so that they can work towards advancing inclusionary roles and practices within their organization.

You can begin to build the learning community and accommodate the diverse learning styles of the group by having the learners engage with each other and you prior to the session. This also gives you the opportunity to hear the expectations and be prepared for the group.

This will include:

- A welcome letter from you, the facilitators, introducing yourselves to all learners in the course,
- Brief outline of the program with timelines and program goals,
- Attachments of pre-session readings. The first of the two readings provides the rationale for the program. The ideas and concepts can be referenced throughout the four sessions in the program,
- "*Strengthening Mining's Talent Alloy – Exploring Immigrant Inclusion"* (MiHR). https://www.mihr.ca/pdf/publications/MiHR_Immigrant_Report_EN_WEB.pdf,
- The second article introduces the participants to the concept of Cultural Intelligence (CQ) and provides strategies for improving one's cross-cultural interactions. The ideas and concepts can be referenced throughout the four sessions in the program,
- *The Cultural Intelligence Difference: Master the One Skill you Can't Do Without In Today's Global Economy, David Livermore, PhD.; published* by Soundview Executive Book Summaries,
- Links to any e-learning sites, and
- An opportunity for each learner to introduce themselves to the group. A group set up on the MiHR Ensemble site would suit this purpose. This will begin to build the "community of learners" prior to the face-to-face meeting).

The Learner introductions might answer the following:

- Name, organization, location, position or title within the mining industry.
- The role they play in their organization around developing and implementing diversity strategy and /or any diversity and inclusion initiatives that they have in progress.
- What they expect to gain from the program. (The expectations noted on a flip chart poster that can be discussed and referred to throughout the session).

In addition to introducing each other, providing readings and links, this electronic connection can also provide a place for Questions and Answers regarding the course and course content and a space for sharing progress, successes, and challenges throughout the program and after.

Learning Outcomes

Participants will learn to:

- Create, in collaboration with others, a safe, inclusive and culturally respectful learning environment that models workplace team interactions in the mining industry.
- Examine the business case for inclusion and diversity in the for profit sector through readings and examples of improved bottom line, more fulfilled employees and increased productivity for mining companies.
- Explore the concepts of personal and organizational cultural competence.
- Explore challenges and potential barriers to leading the implementation and or enhancement of inclusive practices and policies within the mining organization.

Session One Overview

6 hours

Activity 1: Community Building & Knowledge (30 minutes)

Activity 2: Creating a Collaborative, Inclusive Workplace (30 minutes)

Activity 3: The Business Case for Inclusion and Diversity (90 minutes)

Activity 4: Walk Your Mining Company (120 minutes)

Activity 5: Barriers and Challenges Circle Back (60 minutes)

Activity 6: Mapping My Learning & Commitments (30 minutes)

PREPARATION FOR SESSION

Room set up

The optimal room set up for this session would be tables of 4 people, with a space in one corner of the room where you can pull the chairs into a circle for the Icebreaker activity.

You may wish to run a PowerPoint welcoming the participants by name as they are entering the meeting space. Setting up the PowerPoint also helps you, the facilitator; get to learn the names of the participants quickly. Welcoming each person as they arrive gives you the opportunity to put a face to the name.

Prior to beginning the activities, take a few minutes to introduce the learning outcomes for the day. It is always a good idea to post these on flipchart paper so everyone sees what they will learn and can connect the activities to the outcomes.

Introduce the list of participant expectations from the pre-session introductions and allow the opportunity for people to add to the list. This should be revisited each session. The participants have space in their workbooks to list their own expectations so they can measure their progress along the way.

ACTIVITY: COMMUNITY BUILDING & KNOWLEDGE

Activity 1 of 6: Welcome and Icebreaker

(30 minutes)

This activity works best when the participants, and you, sit in a dialogue circle - chairs only with no barriers. If the numbers exceed 20, you may wish to divide the group into 2 circles to keep to the time set for the activity. Briefly go over the introduction to the exercise - speaking about information and knowledge as detailed in the activity description. Invite the group to answer the question:

If you had the opportunity to travel anywhere in the world to turn information into knowledge through personally immersing yourself in the experience- where would you go and why?

You may wish to start the exercise with your own answer to allow others to gather their thoughts. The only person to speak is the person sharing their story; no one comments or asks questions. You will invite the next person to share. Go around the circle and allow people to pass, once you have completed the circle, go back to allow anyone who passed to share.

After everyone has shared you may wish to bring the activity to a close by thanking everyone for sharing, this sometimes is emotional for people as they often share very personal interests and beliefs. It is good to thank them for their authentic stories. You may also speak to the diversity of ideas and interests and how this will make for great problem solving and creativity in the program.

Cultural Values

Activity 1: Debrief

Provide time for the group to read the quote at the top of the page in their booklets. You will lead the discussion from the travel stories and capture, on flipchart paper, the values that emerged. You want to get the group thinking about their present cultural intelligence (CQ) and the concepts from the pre-session reading, noted below:

The Cultural Intelligence Difference: Master the One Skill you Can't Do Without In Today's Global Economy, David Livermore, PhD.; published by Soundview Executive Book Summaries.

David Livermore defines cultural intelligence (CQ) as *"the capability to function effectively in a variety of cultural contexts. It is a whole new way of approaching the age-old topics of cultural sensitivity, racism, and cross border effectiveness. Underlying these strategies for improving your CQ is a willingness to undergo a transformation in how we see ourselves, the people we encounter, and the world at large.*

CQ is an integrative, progressive approach that prepares us for an onslaught of multicultural twists and turns. CQ calls us to be authentically true to our personal and organizational values and concern for others. To improve our EQ is to embark on seeing the world in a whole new way."

Share with the participants that their travel aspiration stories speak to CQ drive which, as the author states, stems from:

"*An intrinsic interest in a different culture and confidence to relate naturally in that culture. Your motivation for multicultural situations can be examined in three specific areas of CQ Drive:*

Intrinsic *- this is the extent to which you demonstrate a natural interest and enjoyment in multicultural experiences.*

Extrinsic *- this is the extent to which you see tangible benefits from multicultural interactions and experiences.*

Self-efficacy - *this is your level of confidence in doing cross-cultural work effectively."*

Livermore makes the point that CQ drive is often overlooked when dealing with cultural diversity and intercultural travel and that the tendency is to jump in with training (CQ Knowledge) to help deal with cultural differences. One of the strategies he speaks about to improve CQ drive is "travel - *multiple experiences traveling and interacting cross-culturally create an enhanced sense of familiarity, comfort and confidence for you in future intercultural interactions."*

Have everyone read through the five behaviours from the book detailed in their workbooks and answer the question that follows. You may wish to have 2 or 3 people share their thoughts before moving on to the next activity.
Remind the group often to make notes in their booklets where space has been provided, as they can be great resources and "triggers" to application of the learning when they are back at work.

ACTIVITY: CREATING A COLLABORATIVE, INCLUSIVE WORKPLACE

Activity 2 of 6: Creating a Safe, Collaborative, Inclusive Workplace

(30 minutes)

Adult learners thrive best in a safe, collaborative learning environment. The best way to honour this is to have the group be a part of setting their “rules or norms for engagement”

Ask the group to complete the activity as outlined. To think privately and then share with a partner should take no more than 15 minutes.

Once the participants have completed Activity 2, the large group will answer the question, “What are the key factors we wish to ensure as a ‘learning team’ during our time together in this program?”

You will capture their ideas for a safe, collaborative, inclusive environment on flipchart paper, add your own, and post the list.

The following article has some further suggestions from Barry Kaplan and Jeff Manchester, authors of *“The Power of Vulnerability: How to Create a Team of Leaders by Shifting Inward”*2018, Greenleaf Book Group Press.

“Creating safety in the team is the prerequisite for taking risks. There are five steps to the process of creating a safe space. When you are traveling on the roadways, there are laws, signs, and proper etiquette that promote driving safely and effectively. Through those guidelines, we form a social contract for safety.

Our common experience is that people in relationships gravitate to safe ways of engaging with others. The same is true for our teams. We need to create a sense of safety and provide a safe way to openly express ourselves. To do this requires the establishment of guidelines that everyone can embrace and honor. These guidelines lay out specifically how we are going to connect with one another to honor confidential conversations, encourage open and honest dialogue, and commit to speaking individual truths.

Here are some of the guidelines we’ve developed:

1. I will respect confidentiality. Whatever happens in a conversation or meeting stays with the participants, unless the owner(s) of what was shared explicitly consent to sharing? Every team needs to be able to invoke confidentiality when necessary. Sensitive issues can arise, whether they are personal, family or business related; tactical or strategic; financial; or involve Human Resources, and the team needs to be able to have an open and frank discussion without worrying about whether information will be leaked to other coworkers.

2. I will be present in the moment. Right here, right now, participants commit to showing up with their full presence. Only you know how distracted you are—or can easily become. You have to make it a point to stay present and engaged.

3. I will stay when times get tough. If the conversation goes to a vulnerable or difficult place, participants must agree not only to remain physically present, but also mentally and emotionally. This is when teams have to pull together to support one another through difficult times. This also applies to the times that there are struggles within the team or differences of opinion that can feel tough to find solutions for. As a team, you need to be strong enough to hold the discomfort and allow for discovery.

4. I will speak my truth. Participants must take ownership for sharing stories from their essence— truths unique to them. This is actually all you have to offer your team. It is a commitment to bring your voice and show up.

5. I will ask for what I want. Participants pledge to come from a sovereign place and ask for their big want (without expectation of always getting it exactly). You are responsible to make sure you have everything you need to be successful in your role. You are responsible to ask for those things that are important to you. Nobody is a mind reader. You may not get what you want, but you won't know for certain if you don't ask.

6. I will take care of myself. Participants own their responsibility to mind their energy and adjust to their teammates accordingly. You are responsible for you. If something isn't working for you, then you need to speak up and address it. If you need help or need to discuss a difficult issue with the group, it's up to you to ask for time and get it on the agenda.

7. I will express and own my feelings. Share your emotions in context and take responsibility for your feelings as belonging to you, without expecting others will feel the same. This is an intentional commitment to learn how to be more emotionally intelligent. Identifying what you are feeling in the moment and expressing that emotion is your commitment to your team in an ongoing effort to create more connective authentic relationships.

8. I will own my perspectives. Your perspectives are your beliefs and opinions. They're shaped by the way you view the world. Our perspectives reflect our experience during the conversation. Owning your perspective is part of speaking your truth. That said, it doesn't mean your perspective is always right or true. It just means it's true for you.

9. I will actively listen. Bring all your senses to interactions and use them to receive data and emotion using your head and heart. Hear the silence between words. Observe gestures. Process and embrace all the energy. Active listening speaks to being engaged in the act of listening. For most of us, we absorb information by thinking in terms of problem solving. You should suspend this "listen to fix" mode initially, because that will take you into the process of developing ideas to help this person. When this happens, you are no longer listening or engaged with the person.

10. I will speak respectfully, without blaming, shaming, or fixing. Team members show respect for each other when they claim responsibility for their parts, rather than blaming others. When an entire team lifts blame from the group, they create an environment where each member seeks to improve themselves rather than fix others. You want to have an open debate about issues and opportunities before the team, but you always need to be respectful of one another.

11. I will ask permission before offering feedback or advice. Those of you, who are professional fixers, remember that any unsolicited advice will be received as criticism! So if you find yourself saying, "What you need to do is…"or "Have you thought about trying…?" you've fallen into the advice-giving trap. By *asking someone before you give him or her feedback, you increase the feeling of safety, and the person to whom you're speaking is more likely to receive your offer. Just simply say, "I have an idea for you, are you open to discussing it?" Or "I have some experience with that type of situation that I'd be happy to share. Is now a good time?"*

12. I am willing to make mistakes. Learn to fail or fail to learn is a framework for a growth (rather than fixed) mindset. Mistakes come with being human!

13. I am willing to laugh at myself. We can't take ourselves too seriously. Our work is serious. Business is serious. But don't be wound so tight that you can't have a good laugh along the way. The best team we know laughs a lot! Safety has allowed them to drop their defenses, which not only allows team members to speak more openly about sensitive issues; it allows them to embrace spontaneity and playfulness, joy and lightheartedness.

14. I will be on time and stay until the end. Show respect for the others by all agreeing on a schedule for a meeting and then sticking to it. Be punctual! Everyone is super busy. Everyone's time is valuable. Respect one another and respect yourself.

15. I will turn off all electronics. Electronics are an epidemic for individuals and teams. Turn off all electronics or put them into airplane mode. Many teams we work with have a basket for phones so everyone can drop them in at the beginning of the meeting and pick them up on the way out. Choose connection with your teammates.

These 15 guidelines are designed for one thing: encouraging a sense of safety! So honor and embrace them both individually and collectively to create the safest environment for you and your team to express themselves"

ACTIVITY: THE BUSINESS CASE FOR INCLUSION AND DIVERSITY

Activity 3 of 6: Expert Team Learning Activity – The Business Case for Inclusion and Diversity

(90 minutes)

Each participant should be given a copy of the Article - *The Inclusion Breakthrough: unleashing the Real Power of Diversity*, Frederick A. Miller and Judith H, Katz.

It is key that you are very familiar with the concepts in this article so that you can “fill in the pieces” if necessary after the groups have presented their findings.

Introduce this activity as presenting the business case for the mining industry as a whole and the key role, as HR professionals play in creating the change necessary to make inclusion happen.

You can refer to the MiHR article, Strengthening Mining’s Talent Alloy - Exploring Immigrant Inclusion to reiterate the reasons for the training.

Advise the group that they will work in one of three small teams. Each “expert team” will be assigned a different section of the article to review. Time is given for each team member to read their section and for the team to collectively discuss and answer the following questions. Each group will present their findings to the large group with supporting flip chart notes.

Remind the group that they have notes pages in their booklet where they can make their own notes from this activity.

You can set up a gallery wall for this in advance, with the three headings, so that the pages can be posted and viewed during breaks in the day for participants to visit, discuss with colleagues and make personal notes.

Part 1. The Need for the Inclusion Breakthrough
Part 2. The Elements of the Inclusion Breakthrough
Part 3. Creating an Inclusion Breakthrough

Part 1. The Need for the Inclusion Breakthrough

Some salient points for discussion

- Successful organizations will harness the collective and synergistic brilliance of all their people - capitalize on diversity
- Radical changes needed In structure and culture - policies, practices, skills and styles of leaders, day to day Interactions among all their people
- Diversity - mission critical - powerful tool for Organizational change
- Deficit of diversity In a box strategy
- Learn to work differently - plan for diversity on teams
- Position organization and leaders to create and support change - Importance of strong leaders
- Requires organizational strategy - 5 levels of development

Your Facilitator Notes:

Part 2. The Elements of the Inclusion Breakthrough

- Leveraging diversity - Improving everyone's performance
- Key component - new competencies at all levels required with continuous upgrading- new sense of us
- External forces - be specific about mining industry labour market information
- Inclusive work culture - addressing cultural issues - in addition to those in the article, what others have the group members experienced
- New definitions of competencies
- What gets measured, monitored and rewarded Is what matters - accountability measures - case study - performance ratings, promotions
- Alignment If policies and practices with desired new culture
- Address differences and conflict
- Creating workspace that enable people to voice and build upon differences
- All people encouraged to do and be their best
- Importance of partnerships - community, people, organizations - get group talking about what this looks like for the mining industry - immigrant service agencies, colleges, etc.
- Importance of investing in community - many mining jobs exist in small rural communities - get group thinking of good examples for investment
- Untapped opportunity - labour markets

Your Facilitator Notes:

Part 3. Creating an Inclusion Breakthrough

- Relating momentum, making diversity and Inclusion a way of life, challenging the new status quo
- Methodology flexible and adaptable needs of organization - those implementing must be flexible
- Requires courage

Four phases:

1. Building platform for change - finding allies and partners - takes courage, change can start anywhere but must be led and modeled from the top - will require “speaking truth to power” (which will be discussed in detail in session 4.) Key partnerships will also be outside the organization - other mining companies, MiHR, educational institutions, and Immigrant service agencies to name a few
2. Creating momentum - leaders need to be more visible, model competencies and behaviours they want to encourage in others, new expectations. 12 - 18 month plan - build in strategies and actions that emerge from the data feedback process
3. Making diversity and inclusion a way of life - now leverage learnings from the strategy and change into accomplishing goals not possible before - leveraging new competencies, resources and operational capabilities gained - make new realm of strategies doable. Link all strategies to operations and process-improvement initiatives
4. Leveraging learning and challenging status quo - going forward back to Phase 1, strategies will use what has been learned from first phases to evaluate progress to date, reassess needs of organization. Build In flexibility to deal with unexpected issues

- To attract talented people from broad spectrum, must be known as place of growth and opportunity, for growth and success -(to be discussed in more detail in session 2 and 3) -with welcoming culture for people’s passions
- Must begin with changing one’s self - commit to constant learning, (remember the CQ drive discussion from activity 1, cultural values.)Committed to potential of all people and the positive power of all efforts.

Your Facilitator Notes:

Activity 3: Debrief

If time, have the group revisit the Collaborative, Inclusive workplace activity list to see if there might be any behaviour to be added, adjusted.

ACTIVITY: WALK YOUR MINING COMPANY

Activity 4 of 6 – Part 1: Inclusive Workplace Index - Walk Your Mining Company

(120 minutes)

This activity gets the participants looking at the three key areas of the business case as they pertain to their own companies. The key areas are talent acquisition, talent management and marketplace engagement. In this session we will look at

- Talent Acquisition: are we accessing a broad employment pool, and does our brand attract a diverse set of potential employees?
- Talent development: are we creating conditions and opportunities that tap the talent of a diverse workforce.
- Employee engagement: do we inclusively engage our diverse workforce? Do our employees feel good about the company and able to bring their best contributions? Are we retaining high-potential employees?
- Workplace Climate: does the day-to-day environment promote inclusion and success? Does our culture promote teamwork and innovation?"

Session two will examine these HR practices in much more detail, but today you can lead the participants in a metaphorical walk through their organizations to begin to measure where they are presently and reflect upon where the inclusion gaps may exist based on the discussions so far.

Advise the group that upon completion of this activity you will introduce a tool called the Inclusive Workplace Index - IWI, that they can use a measuring stick for organizational, inclusive behaviours and practices in their companies.

Introduce the first walk and allow time for the participants to think about and an answer the questions. Advise them they will have 5 minutes for each of the three walks and that there is a space in their booklets to make notes. Explain to the group that you recognize that their workplaces may be very different and that rather than focus on the "physical bricks and mortar," you want them to really think about inclusive culture, climate and engagement.

After they have completed the "walks," invite them to share with the colleagues at their table - 15 minutes, then 5 more minutes to share insights with the large group.

Walk Your Mining Company: Debrief

Once again, capture the inclusive practices on flipchart to post on the Gallery Wall.

Ask the group how they feel their "walks" measure up to what the readings and discussion to date have identified as inclusive behaviours. What are some of the inclusive practice successes you saw? You can visit the gallery wall as well to emphasize key concepts.

Activity 4 of 6 – Part 2: Inclusive Workplace Index (IWI)

Introduce this part of the activity - the completion of the Inclusive Workplace Index (IWI), as a tool to help identify priorities for bringing inclusive practices into their organizations. It can be used to help measure the progress of implementing diversity policies and practices in the employment cycle at one's organization.

Advise the group that the IWI will be used two times in the program, now as a "snapshot" of present practice, and again at the end of the program to measure progress. The tool can be used to start conversations on diversity and inclusion in their companies. You will want to have extra copies, as participants may wish to have others in their organizations complete the Index as a trigger for dialogue with colleagues on a common understanding of cultural awareness and inclusion.

Distribute the IWI to participants and have them complete them. Tell them they have 10 minutes to complete this task.

Once the Indexes are completed, allow time for the participants to discuss the results at their tables, quieted by the questions in their booklets. Then allow a few minutes for individuals to consider what they might work on before the next session, based on their results.

Print Form

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Inclusive Workplace Index

You know that diversity and inclusion in your workplace give you a competitive advantage. But how much progress have you made towards building an inclusive workplace?

Identify where you believe your organization is on a scale **from 1** (no progress) **to 10** (fully inclusive workplace).

1 ○ 2 ○ 3 ○ 4 ○ 5 ○ 6 ○ 7 ○ 8 ○ 9 ○ 10 ○

TRIEC can help you move along this line!

Start by completing the self-assessment below. It's a tool your organization can use to identify priorities and measure progress towards building a culturally inclusive workplace. Once complete, identify those areas where you want to focus. TRIEC can then help you with the tools, resources and support to take action.

1 = Never considered
2 = Thinking about it
3 = Have a plan
4 = Working on it
5 = Fully implemented

Diversity Strategy	1	2	3	4	5
We have a diversity and inclusion strategy with a vision statement that positions diversity and inclusion as a priority and ties it to our mission.	○	○	○	○	○
Our diversity strategy includes specific objectives related to: • Recruiting and developing skilled immigrant talent • Achieving the same cultural representation within the workforce as within our reference population (e.g. clients or community) • Ensuring equitable representation of skilled immigrant talent at all levels of the organization	○	○	○	○	○
We track key performance indicators related to our diversity and inclusion objectives (e.g. number of immigrant employees, representation at different levels).	○	○	○	○	○
Communications	**1**	**2**	**3**	**4**	**5**
Our communications policies include guidelines to ensure all forms of communications are clear, and free of jargon and cultural bias.	○	○	○	○	○
Our internal and external communications highlight the role and benefits of cultural diversity and skilled immigrant talent with the organization.	○	○	○	○	○
We have a formal process for employees to communicate their concerns about diversity issues in a non-threatening manner, and all employees are made aware of this process upon hiring.	○	○	○	○	○
We provide our staff with tools and supports to promote cultural competence (i.e. strategies for effective cross-cultural communication and how culture shapes workplace interactions).	○	○	○	○	○

1 = Never considered
2 = Thinking about it
3 = Have a plan
4 = Working on it
5 = Fully implemented

...continued

Leadership	1	2	3	4	5
We regularly (at least annually) review and update our policies related to immigrant inclusion (e.g. employment equity, religious accommodation) to address emerging and evolving issues and international best practices.	○	○	○	○	○
We have a mechanism to oversee the implementation of our diversity and inclusion strategy (e.g. diversity committee or council).	○	○	○	○	○
Our senior managers are accountable for reporting regularly (at least annually) on the organization's progress in meeting our immigrant inclusion objectives.	○	○	○	○	○
Recruitment	**1**	**2**	**3**	**4**	**5**
We have recruitment policies in place to remove any barriers that may keep immigrants from applying or qualifying for positions.	○	○	○	○	○
We post our job openings with organizations that provide access to new immigrant talent (e.g. community agencies, professional immigrant networks).	○	○	○	○	○
Our recruiters and interviewers receive training on bias-free recruitment, selection and hiring and are monitored for its application.	○	○	○	○	○
Onboarding	**1**	**2**	**3**	**4**	**5**
We have onboarding policies and procedures that are designed specifically to help newcomers understand the organization and their role within it.	○	○	○	○	○
Our onboarding processes extend over several months, involve managers directly and are supported by mentors and peer networks.	○	○	○	○	○
Our onboarding practices include: • Being explicit about expectations • Opportunities to develop necessary skills • Coaching to explain the nuances of the workplace	○	○	○	○	○
Employee Development	**1**	**2**	**3**	**4**	**5**
We help all our employees to understand our diversity and inclusion strategy, why it is important and how it applies to them (e.g. the potential for bias and the importance of cultural competence).	○	○	○	○	○
Our employee development policies cover both hard and soft skills, include a cultural competence requirement and strive for equitable opportunities for growth and promotion.	○	○	○	○	○
Our employee development processes set out clear expectations regarding cultural competence and provides the training and resources to develop these skills.	○	○	○	○	○
All our employees have the opportunity to develop their skills both for their current position and longer-term career paths in order to achieve their full potential.	○	○	○	○	○

ACTIVITY: BARRIERS AND CHALLENGES CIRCLE BACK

Activity 5 of 6: Barriers and Challenges

(40 minutes)

Introduce this activity as the opportunity for the group to acknowledge that with any change, particularly a large organizational change as the diversity and inclusion agenda, there will be challenges and barriers. Many have likely already faced this as they have introduced inclusionary practices already.

The first barrier we will look at, (to be discussed further In Session 2, hiring) is own personal biases.

Ask the group to read the description of Unconscious Bias in their booklets.

Ask them to "circle back" to the activities listed to think about the barriers and challenges they may have faced or expect to face. Then you and the group can add to their lists from the MiHR research papers - in their booklets, and look at the recommendations offered.

Close this session by iterating that barriers and challenges recognized up front can raise consciousness for adapting behaviours and addressing in their company inclusion breakthroughs.

Optional Exercise

You may wish to provide the following opportunity for those wishing to explore bias further outside of the program.

One way to explore bias is through tests from Harvard University, called Implicit Association Tests. These tests expose the biases we have toward skin colour, weight, age and religion.

https://implicit.harvard.edu/implicit/canada/takeatest.html

ACTIVITY: MAPPING MY LEARNING & COMMITMENTS

Activity 6 of 6: Mapping My Learning and Commitments

(30 minutes)

To introduce this activity, you may wish to briefly provide a recap of the journey you took together during this session - and invite the participants to visit the gallery wall, review their notes, other flipchart papers, and their list of expectations as resources for them to review their learning and to set commitments for advancing inclusion in their work going forward.

Provide time for them to think about the questions offered and make some notes. Ideas written down are much more likely to be actioned.

Invite them to share a few from the group.

You may also wish to remind them of the next session and the pre-session reading and assignment.

REFERENCES

The following resources are available are added to the resource files for this customized program for the facilitator to use in preparing additional facilitation notes for this seminar.

Mining Industry Human Resources Council (MiHR) 2016, Exploring Immigrant Inclusion

https://www.mihr.ca/pdf/publications/MiHR_Immigrant_Report_EN_WEB.pdf.

Livermore, David. *The Cultural Difference: Master the One Skill you Can't Live Without in Today's Global Economy.* Made available here as Soundview Executive Book Summaries, October 2018.

Kaplan, Barry & Manchester, Jeffrey. *The Power of Vulnerability: How to Create a Team of Leaders by Shifting Inward.* Made available here as Soundview Executive Boom Summaries, May 2918.

Miller, Frederick A. & Katz, Judith H. *The Inclusion Breakthrough: Unleashing the Real Power of Diversity.* Made available here as Soundview Executive Summaries, 2013.
Kaplan, Mark & Donovan, Mason. *The Inclusion Dividend: why Investing in Diversity & Inclusion Pays Off.* Made available here as Soundview Executive Boom Summaries, September 2013.

SESSION ONE READINGS AND RESOURCES

REQUIRED READINGS

Reading 1: "*Strengthening Mining's Talent Alloy – Exploring Immigrant Inclusion*"

- https://www.mihr.ca/pdf/publications/MiHR_Immigrant_Report_EN_WEB.pdf

Reading 2: *The Cultural Intelligence Difference* by David Livermore
Reading 3: *The Inclusion Breakthrough* by Frederick A. Miller and Judith H. Katz

OPTIONAL READINGS

- Kaplan, Barry & Manchester, Jeffrey. *The Power of Vulnerability: How to Create a Team of Leaders* by Shifting Inward, (2018). Shift 180, LLC.
- Kaplan, Mark & Donovan, Mason. *The Inclusion Dividend: Why Investing in Diversity & Inclusion Pays Off*, (2002).Berrett-Koehler Publishers, Inc.
- Mining Industry Human Resources Council (MiHR) 2016, *Exploring Immigrant Inclusion,*

  https://www.mihr.ca/pdf/publications/MiHR_Immigrant_Report_EN_WEB.pdf.
- Wurzel, James, Ed. Toward *Multiculturalism: A Reader in Multiculturalism Education. Intercultural Press, 1988.*

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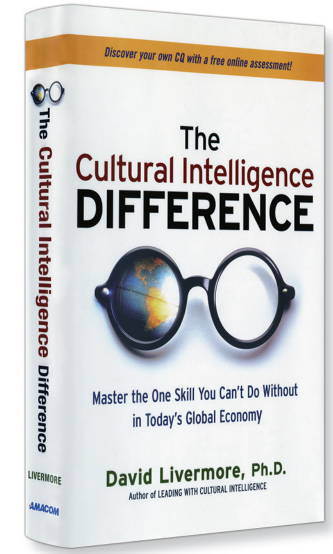
Leadership

The Cultural Intelligence Difference

Master the One Skill You Can't Do Without in Today's Global Economy



by David Livermore, Ph.D.

THE SUMMARY IN BRIEF

CQ is cultural intelligence, a compelling new measure that strongly correlates with your ability to thrive in the workplace today. CQ extends beyond simply registering cultural differences; it's proven to positively impact your ability to communicate, network and lead in our culturally diverse workplaces and globalized world. From managing multicultural teams and serving a diverse customer base to negotiating with international suppliers and opening offshore markets, enhanced cultural intelligence can spell the difference between success and failure.

The Cultural Intelligence Difference is a one-stop guide to both assessing your current CQ and boosting your scores.

IN THIS SUMMARY, YOU WILL LEARN:

- Customized strategies for improving your cross-cultural interactions, with an emphasis on problem solving and adapting behavior.
- New findings on the impressive bottom-line benefits of CQ.
- Examples of major organizations that use CQ to achieve success.
- Methods to improve your CQ Drive, CQ Strategy, CQ Knowledge and CQ Action.

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CONTENTS

THE COMPLETE SUMMARY: **THE CULTURAL INTELLIGENCE DIFFERENCE**

by David Livermore, Ph.D.

The author: David Livermore, Ph.D., is president and partner at the Cultural Intelligence Center and a visiting research fellow at Nanyang Technological University in Singapore. He has done consulting and training with leaders in 100 countries and is the author of *Leading with Cultural Intelligence*.

The Cultural Intelligence Difference by David Livermore, Ph.D. Copyright © 2011 by David Livermore. Summarized by permission of the publisher, AMACOM, a division of American Management Association, Int'l. 207 pages, ISBN: 978-0-8144-1706-5. To purchase this book, go to www.amazon.com or www.bn.com.

PART I: AN INTRODUCTION TO CQ

CQ, or cultural intelligence, is the capability to function effectively in a variety of cultural contexts — including national, ethnic, organizational and generational. It's a whole new way of approaching the age-old topics of cultural sensitivity, racism and cross-border effectiveness. Underlying these strategies for improving your CQ is a willingness to undergo a transformation in how we see ourselves, the people we encounter and the world at large.

CQ for You

Cultural intelligence is uniquely suited for not only surviving the crazy demands of our globalized world but also thriving in them. In recent years academics have discovered a proven way, CQ, to quantify and develop the ability to adapt to a variety of cultural situations.

Intercultural success is primarily dependent on your CQ, which we can all improve.

What Is Cultural Intelligence?

The emphasis of CQ is not only on understanding different cultures but also on problem solving and effective adaptations for various cultural settings. The CQ model acknowledges that your multicultural interactions are as much personal, individualized experiences as they are simply knowing about differences between Germans and Koreans. You can use CQ to become better relating to neighbors, classmates and colleagues who come from another part of the world.

What Does High Cultural Intelligence Look Like?

Here's one way of thinking about the progression from low CQ (1.0) to high CQ (5.0):

1.0 — You react to external stimuli and you judge it based on what that means in your own cultural context.

2.0 — You begin to recognize other cultural norms. You are motivated to learn more about how cultures differ.

3.0 — You begin to accommodate other cultural norms into your thinking. You can explain how culture impacts the way people might respond differently to the same circumstances.

4.0 — You adapt and adjust your thinking and behavior to other cultural norms.

5.0 — You automatically adjust your thinking and behavior when you get appropriate cues, sometimes subconsciously.

People with high CQ have a repertoire of strategies and behaviors to orient themselves when they encounter unfamiliar behavior. They can think deeply about what's happening (or not happening) and make appropriate adjustments on how they should understand, relate and behave in these otherwise-disorienting situations.

What Are the Benefits of Increasing Your CQ?

The competitive edge that comes from enhancing your CQ can include the following:

Cross-cultural adjustment. Your cultural intelligence has more to do with your success in multicultural endeavors than your age, gender, location, IQ or EQ. Enhanced CQ provides the motivation, understanding and strategy for dealing with the uncertainty of multicultural situations with increased flexibility.

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Rebecca S. Clement, Publisher; **Andrew Clancy**, Executive Editor; **Ashleigh Imus**, Senior Editor; **Kylie O'Connor**, Graphic Designer; **Deborah Roselle**, Contributing Editor

Job performance. With higher CQ you'll have an edge in a crowded job market; you can dynamically meet the challenges of serving a diverse customer base at home and abroad. Some of the most important job-related results for individuals with higher CQ are in the areas of decision-making, negotiation, networking and global leadership effectiveness in influencing and developing teams of culturally diverse participants at home or dispersed around the world.

Personal well-being. When you enhance your cultural intelligence, you're less likely to experience burnout from the constant demands faced by multicultural interactions. You will feel a greater enjoyment from traveling and working internationally and collaboratively accomplishing something important.

Profitability. Individuals who more successfully adjust cross-culturally and perform better in decision making and networking help their organizations save and earn more money. Leading companies such as Barclays, Lloyds TSB and Levi Strauss have all adopted cultural intelligence into their business model and have seen increased income streams, better cost management and higher profit margins.

Research Brief

Successful business requires a good dose of common sense and an ability to relate well with a lot of different people. Leaders in all kinds of organizations have argued that cultural intelligence is the single greatest difference between professionals who thrive in today's rapidly changing world and those who become obsolete. Cultural intelligence picks up where emotional intelligence leaves off. It is rooted in research across dozens of countries.

In the Beginning

The driving question behind cultural intelligence research is this: Why can some individuals and organizations move in and out of varied cultures easily and effectively while others can't? Cultural knowledge and global consciousness by themselves don't translate into intercultural adaptability and successful results. A more holistic approach is required.

Surveying intercultural research. Just because a person understands the differences between Japanese and German cultures doesn't mean he or she will actually be able to work effectively with individuals from these backgrounds.

Surveying intelligence research. The most traditional way of understanding the technical idea of intelligence is IQ, but there has also been extensive scholarship on varied forms if intelligence that go beyond the traditional, academic notions of IQ.

After IQ, emotional intelligence is the ability to detect and regulate the emotions of one's self and others. Significant work has also been done on social intelligence, knowing how to act appropriately in social interactions, and practical intelligence, the ability to solve practical problems as opposed to academic, theoretical ones. All three of these intelligences — emotional, social and practical — predict the likelihood of our effectiveness when relating in cultures like our own. However, something additional was still needed to address the increasing cultural complexities facing most individuals and their organizations.

Cultural Intelligence Is Born!

Cultural intelligence focuses on the skills needed to be effective in our interconnected world. It complements the other forms of intelligence and explains why some individuals are more effective than others in culturally diverse situations.

It has been cited in more than 70 academic journals.

One of the consistent threads across the varied forms of intelligence is a set of four complementary factors that are consistent whether we are talking about emotional, social, practical or cultural intelligence. The four factors are motivation, cognition, meta-cognition and behavior.

In parallel fashion cultural intelligence consists of these same four intelligence factors. The four CQ capabilities stem from theoretically grounded scholarship on intelligence.

1. **CQ Drive** (motivation) is your interest and confidence in functioning effectively in culturally diverse settings.
2. **CQ Knowledge** (cognition) is your knowledge about how cultures are similar and different. To what extent do you understand some core cultural differences and their impact on you and others?
3. **CQ Strategy** (meta-cognition) is how you make sense of culturally diverse experiences.
4. **CQ Action** (behavior) is your capability to adapt your behavior appropriately for different cultures.

How Is CQ Measured?

Once the four-factor framework for CQ was developed, the next step was to develop a valid way of assessing CQ. The question at hand was, Can you actually quantify an individual's capabilities for multicultural effectiveness? The Cultural Intelligence Scale (CQS) measures an individual's competency in each of these four capabilities. It has an amazing consistency across varied times, samples, cultures and professions. You can roughly gauge your own CQ by simply making observations with these four capabilities in mind. As you look at your interactions cross-culturally, ask yourself about your motivation (CQ Drive), understanding (CQ Knowledge), level of awareness/ability to plan (CQ Strategy) and behavior (CQ Action). You can also use the four CQ capabilities to roughly assess the CQ of others. Which of the four capabilities are their greatest strengths? In which areas do they need the most growth?

Moving Forward

The majority of CQ research has focused on assessing and developing CQ in individuals. However, recent research is examining how to assess and develop CQ in teams and social networks.

Cultural Intelligence vs. Other Intercultural Approaches

CQ differs from other leading approaches to cultural competence and intercultural interaction in five primary ways:

1. CQ is a research-based, overarching framework that synthesizes volumes of material on cross-cultural leadership.
2. CQ is explicitly rooted in contemporary theories of intelligence. The four capabilities of CQ are directly connected to the four dimensions of intelligence.
3. CQ also explores the social-psychological dynamics involved as one person interacts with another.
4. CQ emphasizes learned capabilities more than personality traits. CQ incorporates both individual and cultural factors of how you work and relate across cultures.

PART II: STRATEGIES TO IMPROVE YOUR CQ

5. CQ focuses on developing an overall repertoire of skills and behaviors for making sense of the cultures we encounter daily.

CQ Drive

CQ Drive asks the question: Do you have the confidence and motivation to work through the challenge and conflict that inevitably accompany cross-cultural situations? CQ includes not only your abilities but also your sense of the rewards — both tangible and intangible — that you will gain from functioning effectively in situations characterized by cultural diversity.

What's CQ Drive Got to Do With It?

CQ Drive often gets overlooked when dealing with cultural diversity and international travel. The tendency is to immediately jump in with training (CQ Knowledge) to help people deal with cultural differences.

High CQ Drive stems from an intrinsic interest in a different culture and confidence to relate naturally in that culture.

Your motivation for multicultural situations can be examined in three specific areas of CQ Drive:

- **Intrinsic.** This is the extent to which you demonstrate a natural interest and enjoyment in multicultural experiences.
- **Extrinsic.** This is the extent to which you see tangible benefits from multicultural interactions and experiences.
- **Self-efficacy.** This is your level of confidence in doing cross-cultural work effectively.

These sub-dimensions of CQ Drive are the scientific bases for the strategies that follow.

Improving Your CQ Drive

The following strategies will help you improve your CQ Drive. Anchored in science and research on motivation for multi-cultural situations, they stem from the three sub-dimensions of CQ Drive described above.

Intrinsic

1. Face your biases.
2. Connect with existing interests.
3. Scare yourself.

Extrinsic

4. Visualize success.
5. Reward yourself.
6. Recharge your batteries.

Self-Efficacy

7. Maintain control.
8. Travel.

1. **Face your biases.** An important strategy for enhancing CQ Drive is admitting the implicit prejudices and biases we have and working to overcome them. One way to explore your biases is through some tests developed at Harvard called implicit association tests. These tests expose the implicit biases we have toward skin color, weight, age and religion.
2. **Connect with existing interests.** Think of something that energizes you; think of a way to connect that interest to a cross-cultural context.
3. **Scare yourself.** Fear causes a deep and immediate alertness. One way you can use fear to develop your

CQ Drive is by visualizing the cost of not becoming more culturally intelligent. Low CQ will make you look ignorant, clueless and self-absorbed and can rob you of great opportunities or put your life at risk.

4. **Visualize success.** Imagine your cross-cultural success, and the corresponding benefits can powerfully influence your CQ Drive. Make a list of these tangible benefits such as
   - Landing your dream job;
   - Gaining a competitive edge as an innovator;
   - Developing friendships with diverse people;
   - Becoming a leading activist for a cause important to you;
   - Broadening and deepening your faith;
   - Earning more money to support what matters to you most.
5. **Reward yourself.** First, set some realistic goals for increasing your cultural intelligence. Now create some rewards for reaching your goals; reward small steps as well. As we fit into things larger than us, join them and serve them, rewarding ourselves along the way can be a helpful way to persevere.
6. **Recharge your batteries.** When you're in the midst of cross-cultural situations, access resources available to recharge your batteries. Your physical and mental well-being are directly connected to your CQ Drive. One way is to deliberately disconnect from your tech gadgets. Choose specific times to connect technologically and then shut it off so your brain can focus more deeply.
7. **Maintain control.** CQ Drive is enhanced when we have a sense of autonomy which is directly connected to the level of control we feel over our circumstances. We can feel a greater sense of control, agency and therefore CQ Drive by taking time to take control of our priorities while traveling. This involves planning ahead.
8. **Travel.** Multiple experiences traveling and interacting cross-culturally create an enhanced sense of familiarity, comfort and confidence for you in future intercultural interactions.

CQ Knowledge

One of the best ways to deal with the ambiguity faced in multicultural situations is by learning more about cultural differences. CQ Knowledge asks the question, Do you have the cultural understanding needed to be more effective cross-culturally? The most important part of CQ Knowledge is developing a richer understanding of culture, its influence on thinking and behavior, and the primary ways cultures differ.

Assessing Your CQ Knowledge

In order to dig more deeply into your CQ Knowledge, assess your cultural understanding in the four specific areas of CQ Knowledge (business, interpersonal, socio-linguistics and leadership).

Business (Legal and Economic Systems). This is the extent to which you understand the various cultural systems around the world.

Interpersonal. This is the extent to which you know about how cultures differ in their values, norms for social etiquette and religious perspectives.

Socio-Linguistics. This is your understanding of different languages and your knowledge of various rules for how language gets expressed verbally and nonverbally in various cultures.

Leadership. This is your level of understanding about how effective management differs across cultures.

Improving Your CQ Knowledge

These strategies are anchored in science and research and stem from the four sub-dimensions of CQ Knowledge described above:

Business/Cultural Systems

1. **Study culture up close.** Discreetly observe people who come from a different cultural background, and observe what he/she does. Attend cultural celebrations, visit grocery stores, go to restaurants, visit an art museum, roam local streets, talk to taxi drivers.
2. **Google smarter.** Remember that quotes limit the search to finding the exact combination of words you enter. Wield the power of "Advanced Search" in Google.
3. **Increase your global awareness.** A few ways to increase your global consciousness are to check out www.worldpress.org for a quick overview of current stories globally, tune into public broadcasting and ask good questions when you're with people from different parts of the world.

Interpersonal/Cultural Values

4. **Go to the movies or read a novel.** Literature and film provide a visceral way to see the world through someone else's eyes. Stories provide a much more dynamic experience with culture than most principle-based business and professional books.

And they're much more true to how we experience culture — in the context of life, relationships and a myriad of other circumstances.

5. **Learn about cultural values.** Society's ideas about what is good, right, fair. These values give you an educated guess about how someone from a culture is likely to approach something.
6. **Explore your cultural identity.** Taking the time to explore your own cultural identity will enhance your CQ Knowledge. Once you have identified the cultures that most powerfully influence you, then think about such questions as
   - What does success look like in this culture? What does failure look like?
   - How are decisions made?
   - What's the role of family?

Ethnocentrism — believing your own culture is the best way to go about life — is a major setback to CQ Knowledge. However, bashing and deprecating everything about your culture can be equally destructive.

Socio-Linguistics

7. **Study a new language.** Languages are a clear connection between the ability to speak another language and your CQ Knowledge. Some say language is culture. The two are so seamlessly wrapped together that it's difficult to have one without the other.

Leadership

8. **Seek diverse perspectives.** Look at and learn from the diverse viewpoints. You could purposely find a cultural group that represents a set of beliefs that are in conflict with your own. Or you could find a different news source than the one you typically choose.
9. **Recruit a CQ coach.** An effective CQ coach should be an individual who is careful not to oversimplify things while also offering some helpful, neutral stereotypes.

CQ Strategy

The real lynchpin between CQ Drive and Knowledge with how we actually behave cross-culturally is CQ Strategy. CQ Strategy asks the question, Am I aware and can I plan appropriately in light of the personal and cultural dynamics involved?

What's CQ Strategy Got to Do With It?

Many of us are forced to function at a frenetic pace with little space for deeper thought and reflection. CQ Strategy is unlikely to be developed apart from intentional thought. The technical term for it is meta-cognition, which means "thinking about thinking," when you transcend your immediate emotions and thoughts and try to observe them from outside yourself.

In order to dig more deeply into your CQ Strategy, you can assess your cultural understanding in three specific areas of CQ Strategy:

- Awareness of the personal and cultural dynamics occurring in a multicultural situation;
- Planning: taking the time to anticipate how to best engage in a cross-cultural situation;
- Checking: the extent to which you monitor whether you are behaving properly in a cross-cultural situation.

These three sub-dimensions of CQ Strategy are the scientific bases for the strategies listed below.

The following strategies will help you improve your CQ Strategy:

1. **Notice.** Don't respond. Don't rush to make sense out of what you've observed. Rather than jumping to conclusions, look at something that puzzles you, and think about it for a long time.
2. **Think widely.** Every individual has what psychologists call a category width, the extent to which you're comfortable with things that don't neatly fit into one category or another. Narrow categorizers watch the behavior of people from different cultures and categorize them based on what those actions would mean in one's own cultural context. Broad categorizers demonstrate more tolerance for things that might not fit into pre-existing categories. As you learn to think more broadly, you'll become better at interpreting the differences you encounter in different cultures.
3. **Focus deeply.** Deep, focused thinking helps us zero in on things we might otherwise miss. This strategy stems from mindfulness training which can help us move out of our automated habits of thinking and behavior.
4. **Journal.** This is a good place to begin hypothesizing why you think things are the way they are and describing how you feel when certain things occur. It will help you shut down some of your semiautomatic behavior and become more aware of our surroundings and the meanings therein.
5. **Plan social interactions.** Plan ahead when you're going to spend time with someone from a different culture, especially if it's a social context.

6. **Manage expectations.** Focus on your expectations for an upcoming cross-cultural experience: What assumptions do you have about the people? What judgments do you need to suspend? When global professionals accurately anticipate their job expectations in intercultural situations, the better they adjust to the changes required.
7. **Create checklists.** Checking things off a list can prevent potentially fatal mistakes and corner cutting. A checklist can also prevent you from spinning off into what you've convinced yourself is just a necessary adaptation culturally, when in fact it might be detrimental to your overall success.
8. **Reframe a situation.** Reframing or reappraisal means changing your evaluation of a situation. This is part of how you train your brain to be flexible in multicultural situations. When you learn to harness deep stress by reappraising a situation, you enhance your CQ Strategy and your overall effectiveness.
9. **Test for accuracy.** Check back and see if your assumptions and plans were appropriate and if they are working. You can test your hypothesis by reading up on it, talking to a variety of people from the cultures involved and observing what occurs.
10. **Ask better questions.** Question your observations and assumptions, and find appropriate ways to ask questions of others. Listen for what's said and what's not said. The point behind the questioning strategy is to keep peeling away the layers of symptoms that can lead to a root cause of a situation.

CQ Action

CQ Action asks the question, What behaviors should I adapt for this cross-cultural situation? It includes your flexibility in verbal and nonverbal behaviors and your adaptability to different cultural norms.

What's CQ Action Got to Do With It?

Can you behave in ways that are effective and respectful in cross-cultural situations while still remaining true to yourself? Individuals with high CQ Action can draw on the other three capabilities of CQ to translate their enhanced motivation, understanding and planning into action.

Here is a list of strategies to help you improve your CQ Action:

Nonverbal

1. **Develop a repertoire of social skills.** Look for cues on the basic manners expected in a culture, many of which come down to nonverbal behaviors. You can also adapt your verbal behavior for various social occasions.
2. **Be an actor.** The more you identify with the individuals from various cultures, the better your ability to act like they do. One of the crucial parts of having enhanced CQ Action is knowing when you should flex your behavior to mirror the behavior of others and when you shouldn't.
3. **Make taboos taboo.** You will be more effective if you learn some of the basics of customs and come up with some behavioral strategies to follow the lead of culturally different people you meet.

Verbal

4. **Use basic vocabulary.** For the cultures we most frequently encounter where we don't speak the language, many of the day-to-day issues can be communicated with a core set of phrases and body language.
5. **Try new vocal sounds.** Most of us use a variety of vocalizations as part of our communication, such as "hmm" or repetition of certain phrases. You might pick one that you use frequently and try eliminating it during a conversation.
6. **Slow down.** A slower, more rhythmic pace allows us to deepen our insights and to become more effective among the many cultures that aren't nearly as concerned with efficiency and accomplishment as some of us are. You may need to practice speaking more slowly and deliberately.

Speech Arts

7. **Put yourself in a place of need.** When framing a request you might posture yourself as someone in need rather than coming in and making demands, not only among strangers but also with colleagues and subordinates at work.
8. **Join a multicultural team.** Collaborative efforts are most beneficial when they include culturally diverse members. Notice how differently each of you on a multicultural team approach conflict, make requests, apologize and compliment each other.

PART III: CONCLUDING THOUGHTS

The Power of CQ

A desire to increase your CQ, combined with a plan to use some of the strategies covered in the last several chapters, is proven to strengthen your CQ, which allows each of us to make the world a better place.

Here are several strengths associated with the overall nature of cultural intelligence:

Integration

Given the interrelationship of the four CQ capabilities — knowledge, strategy, drive, action — by giving attention to one, you may simultaneously enhance another.

Progression

CQ is based on the premise that our capabilities in cultural intelligence are continually progressing. It can be helpful to think about them as four steps toward enhanced overall cultural intelligence:

Step 1: CQ Drive — What's my motivation for adapting to the culture of a city, a company, a person?

Step 2: CQ Knowledge — What do I need to know about these cultures?

Step 3: CQ Strategy — What's my plan? What questions should I ask?

Step 4: CQ Action — Can I adapt accordingly?

Tension

The cultural intelligence model not only allows for holding contradictions in tension but also creates a way to lean into the insights and opportunities that can be created by tension.

Reflection

Reflection is a skill that helps us adjust our internal assumptions and behaviors and structure meaning around our experiences.

Professionals can't just problem solve. They also have to do problem setting. The goal isn't just to find answers but to form hypotheses that help explain a problem in the first place. It involves learning how to interpret observations and plan in light of them.

Inspiration: Success Stories

Canadian Armed Forces. A great deal of CQ is needed by the coalition forces working in Afghanistan. For example, many Afghan village women are seen only by their family members. They cover their faces so no man except their husband can see them. So when male coalition soldiers march into villages and barge into homes to search for explosive devices, there's little cooperation — not to mention a huge insult and offense to the locals.

Canadian Forces are changing this approach. When possible, female soldiers go into the village to form bonds with the women and children. They talk to them about education and explain how the coalition effort will provide opportunity for Afghan children to go to school.

Nanyang Technological University, Singapore. Undergraduate students in the business school work together in multicultural teams, assess one another's CQ and create a plan for developing their CQ in areas where they need it most.

MBA students at Nanyang Business School travel abroad on short-term study missions in places like Vietnam or Ireland. The students are paired up with classmates from different cultures (an easy task given the diversity at the university), and they're tasked with setting up meetings with businesses based in the country they'll visit. They have a series of assignments to apply CQ as they encounter multinational firms, and they develop a long-term CQ development plan for themselves and their work in business. The business school draws heavily on CQ assessments to show accrediting bodies like the Association to Advance Collegiate Schools of Business (AACSB) how the university's programs enhance students' global competency.

Moving Forward

We can't navigate today's globalized world using old maps. And it won't help to simply update the names and colors of our old maps. They were made for a different world. CQ gives us a new map for navigating the terrain of today's globalized world.

Cultural intelligence is an integrative, progressive approach that prepares us for an onslaught of multicultural twists and turns. CQ calls us to be authentically true to our personal and organizational values and concerns of others.

To improve your cultural intelligence is to embark on seeing the world in a whole new way. It's amazing what happens when we're willing to move beyond our differences to see one another first and foremost as human beings. Then, from our common bond as humans, we can learn from our differences. That's the power of CQ. That's the CQ difference.

RECOMMENDED READING LIST

If you liked *The Cultural Intelligence Difference*, you'll also like:

1. ***The Inclusion Dividend* by Mark Kaplan and Mason Donovan**. Most leaders have the intent to be inclusive but translating that into a truly inclusive outcome with employees, customers and other stakeholders requires the focused change effort described in this summary.

2. ***Driven by Difference* by David Livermore**. Livermore identifies management practices that can be used to guide multicultural teams to innovation.

3. ***Conversational Intelligence* by Judith Glaser**. Glaser presents a framework for understanding how conversations trigger different parts of the brain.

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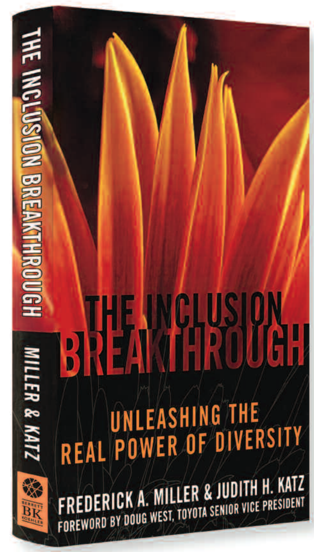
Human Resources

The Inclusion Breakthrough

Unleashing the Real Power of Diversity



by Frederick A. Miller and Judith H. Katz

THE SUMMARY IN BRIEF

All groups possess the inherent potential of diversity, but to truly leverage it you need inclusion.

Many attempts at making diversity work inside organizations have failed. Human resources experts Frederick A. Miller and Judith H. Katz wrote *The Inclusion Breakthrough* to help create an image of what real success can look like. They write about what could be — what is available to organizations if they allow and enable themselves to flourish, to grow and to come together and do their best work.

The Inclusion Breakthrough represents what Miller and Katz have learned from their work during the past 30 years with a wide range of industries, from long-established manufacturing and service organizations to entrepreneurial startups, from Fortune 500 companies to nonprofit foundations, from city and county governments to school districts, colleges and universities, and from individual coaching sessions and small-scale educational events to 100,000-person system-wide interventions.

What has emerged from their work is a methodology for change and creating organizational breakthroughs. *The Inclusion Breakthrough* is their effort to capture the insights, experiences, frameworks and interventions from their decades of real-world experiences.

According to management guru Ken Blanchard, "*The Inclusion Breakthrough* is a 'must-read' for organizations that want to move diversity work to a new level."

IN THIS SUMMARY, YOU WILL LEARN:

- How to build the platform for change.
- How to create momentum in your organization.
- How to make diversity and inclusion a way of life.
- How to leverage learning and challenge the new status quo.

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THE COMPLETE SUMMARY: **THE INCLUSION BREAKTHROUGH**

by Frederick A. Miller and Judith H. Katz

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The Inclusion Breakthrough: Unleashing the Real Power of Diversity by Frederick A. Miller and Judith H. Katz. Copyright © 2002 by The Kaleel Jamison Consulting Group, Inc. Summarized by permission of the publisher, Berrett-Koehler Publishers, Inc. 218 pages, $26.95, ISBN 1-57675-139-2. To purchase this book, go to www.amazon.com or www.bn.com.

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PART 1: THE NEED FOR AN INCLUSION BREAKTHROUGH

Organizations today are being forced to live by their wits. Their survival depends on their ability to out-think their competition, which can only be accomplished by catalyzing the intellectual resources of their people into creative new solutions. A single person's brilliance or a single group's point of view is no longer enough to sustain an organization's growth in the face of global competition. Tomorrow's successful organizations will be those that harness the collective and synergistic brilliance of all their people, not just an elite few. The stock-market stars will be the organizations that capitalize on the diversity of their work force.

But capitalizing on diversity requires more than simply hiring a diverse work force. Radical changes are also needed in both the structure and culture of most organizations — in their policies and practices, the skills and styles of their leaders and the day-to-day interactions among all their people.

Many organizations will fail to make these changes because they seem too radical. Those organizations will not survive. To many people and most organizations, diversity seems like a problem, not a solution. Differences are to be avoided, not embraced and utilized. Age-old hierarchies, traditions and biases must not be questioned or examined. To make these changes to embrace and capitalize on diversity will require a true breakthrough — an Inclusion Breakthrough.

The first step is to ensure that diversity is seen as mission critical. When the current and future success of the organization is tied directly to the need for diversity, it becomes a powerful tool for organizational change and higher performance.

Diversity in a Box

Each person is a unique individual who also belongs to several different social identity groups. A wide range of differences can exist even among people who look, sound and act alike. This *Paradox of Diversity* is a way of framing diversity that captures one's similarities and differences.

We are like all people: As human beings we share similar needs and wants — to experience joy and love, to be safe, etc.

We are like some people: We share culture and experience.

We are like no other people: We are each unique unto ourselves.

The aspects of ourselves that are like some other people constitutes our connection to specific social identity groups, those with which we share similarities, such as age or living in a particular region. But we don't necessarily identify with each group to which we belong, such as — "people with red hair" or "people who drive a Toyota convertible." Regardless of whether or not we identify with a particular group, others might put us in it because the identification has meaning to them, such as — "people who attended Cornell" or "people who live in the Bronx."

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Rebecca S. Clement, Publisher; **Sarah T. Dayton**, Editor in Chief; **Andrew Clancy**, Senior Editor; **Amanda Langen**, Graphic Designer; **Chris Lauer,** Contributing Editor

Bailey Jackson was one of the first people to identify that some differences matter more than others. Those that make the biggest difference are ethnicity, gender, marital status (and children), race, sexual orientation, language, physical ability, socioeconomic status, religion and mental ability. These differences can affect the hiring process. Many people and organizations claim they are color blind, gender blind or blind to differences. Although they consider this stance to be a positive attribute, it implies a disregard for differences. Many people have been raised to see differences as a deficit and therefore assume that differences will cease to be problematic if they are ignored.

Unfortunately, most organizations end up with a *diversity in a box strategy*. They see diversity as getting in the way of success by forcing the organization to do something it doesn't want to do. Or they see it as an issue to be managed, shaping it and getting it to "fit" in the existing structure of the organization. The result is either a singular focus on representation and awareness or ignoring the issue altogether.

Radical Change Is Required

Creating a culture of inclusion requires radical change. But the improvements that result from the change are equally radical. People must learn to work differently — every project team scans the organization to make sure it has the best and most diverse team for the job. Instead of disagreements in meetings that lead to strained compromises or avoidance, disagreements lead to better decisions based on a more complete vision of the problem and possible solutions. Work assignments are made with consideration for outside-of-work responsibilities, so people freely give their whole selves without worrying about their jobs consuming their lives. Members of the organization and customers feel loyalty to the organization because of the quality of its products and services and its social, environmental and commercial values.

Eleven Inclusive Behaviors

The key competencies for creating an Inclusion Breakthrough begin with 11 Inclusive Behaviors:

- All individuals must learn to greet others authentically.
- Individuals must create a sense of safety for themselves and their team members.
- In a truly inclusive environment misunderstandings are addressed and disagreements resolved as soon as possible.
- Team members must take the time to listen, listen, listen and respond when people share their ideas, thoughts and perspectives.
- Everyone must communicate clearly, directly and honestly.
- Everyone on the team needs to understand the group's tasks and how each task relates to the mission of the organization.
- Every person on the team has a contribution to make, so make sure all voices are heard.
- Ask other team members to share their thoughts and experiences, and accept all frames of reference.
- Notice the behavior of each person on the team and speak up if you think people are being excluded.
- Make careful choices about when the team will meet and what it will work on.
- And finally, be brave.

Positioning for Radical Change

The most critical component of any effort to change culture is positioning the organization and its leaders to create and support the change. When an organization's leaders understand that leveraging diversity and building a culture of inclusion is mission critical and that every dimension of the organization will be affected, big questions arise. "How can we make changes of this scope, intensity and depth?" "Where do we start?" "How can we ensure success?"

In the course of answering these questions, an organization must position the effort so that leaders are leading. People take their cues from those at the top. They watch to see whether leaders believe that they have a stake in the change, whether they are investing their time and energy toward making the change and whether they are aligned with each other as they move forward with their efforts. Senior executives often do not expect the effort to require their personal involvement. However, although change can start anywhere in an organization, it can succeed only if it is led from the top. Leaders need to know how ready the organization is for change and understand its scope and boundaries.

Making High Performance a Way of Life

When the organization recognizes that leveraging diversity and inclusion is crucial to its overall success, it moves the effort from a loose collection of best practices to an organizational strategy to improve performance. It becomes a *way of life* in the organization. The way of life model outlines that journey through five levels of development.

Level one: Developing individual awareness. The implied benefit and desired outcome is to change the way people see difference.

Level two: Implementing various diversity and inclusion programs and activities. At this point, organizations may institute additional programs, such as mentoring, support networks, high-potential career development and targeted recruiting.

Level three: Combining programs and activities into an initiative. The various elements of the diversity work are evaluated and those activities that fit with the strategic intent of the organization are knitted together into a diversity initiative.

Level four: Linking and aligning the initiatives into the strategic work of the organization. This means integrating new competencies and practices into all of the organization's other major strategies and initiatives: leadership, quality, mergers and acquisitions, strategic alliances, downsizing or re-engineering.

Level five: A way of doing business. As an organization unleashes the synergies gained from integrating its leveraging diversity and inclusion efforts with its strategic goals, it can measure the benefits in new or improved processes and outcomes.

PART 2: THE ELEMENTS OF AN INCLUSION BREAKTHROUGH

Some organizations talk about the bold actions needed to unleash the potential of their work force and about capitalizing on diversity to deliver higher value to the marketplace. Few, however, attempt to use differences as strategic assets critical to maximizing competitive advantage. Even fewer take advantage of the opportunities diversity provides for the work force, marketplace, community and customers. Leveraging diversity creates the opportunity to improve everyone's performance, enhancing the organization's capability to innovate, and serve all its customers and constituents, and succeed in the 21st century.

The inclusion breakthrough cycle examines key components for leveraging diversity and creating a culture of inclusion by focusing on five key elements:

- New competencies.
- Enabling policies and practices.
- Leveraging a diverse work force.
- Community and social responsibility.
- Enhanced value to a diverse marketplace.

New Competencies

Today's organizations must function in an increasingly competitive marketplace that shifts constantly without warning or apology. Faced with intensifying global competition, organizations are being forced to perform more efficiently and effectively. They need to solve problems, execute decisions and serve customers faster, at lower costs and with less waste. They must improve every aspect of their organization every day. Such change cannot be incremental — it must happen quickly, and it must provide for a breakthrough in how the organization functions.

An inclusion breakthrough calls for a new sense of *we* — a sense of "we are all in this together" and "we are not all the same … and our differences are critical for our success." In today's organizations, new competencies are required both for leading and following, and, like a computer, these new competencies must be continually upgraded and expanded just to stay current.

As leveraging diversity becomes the means for achieving higher performance, all members of the organization — not just the leaders — must acquire competencies for building inclusion.

External forces. Changes in the external environment require organizations to change and adjust their portfolios of competencies rapidly. Those external factors — new laws, regulations and industry shifts — are an invitation for organizations to do new things not only out of necessity but also to improve efficiencies and the overall environment of the workplace.

Working in an inclusive work culture. Team leaders must figure out how to address needs and issues such as:

- Accommodating a Muslim worker who requests time off for prayer during the day.
- Finding a TTD and interpreters for a worker who is deaf.
- Responding to people's requests to telecommute or go on a more flexible work schedule.
- Addressing the concerns of single people who feel that they are asked too frequently to cover for people who have families, and who believe their work and personal life balance is not considered.
- Communicating and working effectively with someone who has newly immigrated to the country and for whom the dominant language is not his or her first language.

New definitions of competence. Senior leaders, team leaders and team members must possess competencies that support a culture of inclusion and translate that into higher performance.

Enabling Policies and Practices

No matter how stringently an organization requires people to learn new sets of competencies and behaviors, no significant or sustainable change will occur unless the organization's established rules, written and unwritten, also change.

What gets measured, monitored and rewarded is what matters. It follows, then, that new competencies must be integrated into performance reviews, evaluations, developmental plans, merit rewards and recognition programs. In the absence of these enabling and accountability mechanisms, people will not have any tangible reason to change or face consequences for their noncompliance or defiance. Unless the inclusion breakthrough is integrated into the organization's policies and practices, the new required competencies will be relegated to a wish list.

Organization G was hit with a class-action suit, charging the organization with systematic performance appraisal and career-pathing bias against people of color and white women. An independent study of performance appraisals and promotion records showed that people of color and white women consistently received lower performance ratings than those received by white men, particularly when the managers conducting the appraisals were white men. Even when performance appraisals were similar across gender and racial lines, people of color and white women were not promoted as rapidly as their white male counterparts. Interviews with managers revealed that many gave higher scores to people with whom they had personal relationships, socialized more often and were more comfortable.

Allegations Lead to Multi-Million-Dollar Settlement

Although there were very few allegations of overt racism or sexism, the damage from these comfort-based appraisals were tangible enough for Organization G to agree to a multi-million-dollar settlement. Although the cost of the settlement was substantial, the incalculable cost of the problem — decades of preventing many people from giving their best efforts and a work force in upheaval — was even greater.

To sustain an inclusion breakthrough and create the desired new culture, it is essential that all aspects of the organization's policies and practices be aligned with the new set of competencies. Without such alignment, it is hard to unleash the real power of diversity. These policies and practices must support the aspired-to culture and connect the inclusion breakthrough to the mission, vision and values of the organization.

Leveraging a Diverse Work Force

Most organizations believe that having a diverse work force in itself will create value. In reality, having a diverse work force is just having an under-leveraged asset unless there is strategic intent to unleash that diversity with the critical elements to support it. Less than that results in nothing more than a diversity in a box effort.

Strategies that focus on minimizing conflicts and other possible negative consequences of bringing different kinds of people together — are nothing more than status-quo strategies that maintain diversity in a box. To leverage diversity — to yield greater engagement, interaction, stimulation and exploration of a wider range of possible solutions — disagreements and conflicts must be addressed.

Leveraging Diversity Means Differences Are Not Ignored

Leveraging diversity means that differences are not ignored. When diversity is leveraged, innovation and creativity take hold from the sharing of new and different ideas, from the ability to create a new synthesis emerging from diverging points of views.

Organizations need people who are willing to bring new and different perspectives and skills. Perhaps even more, they need their current people to be willing and able to act in new and different ways. In a society that has made life difficult and dangerous for people who are new or different, this continues to be a major challenge for many U.S.-based individuals and organizations. As the work force becomes more diverse, the response from most organizations is to try to manage diversity, to contain it and keep it in a box. When people are forced to assimilate to keep their differences private and hidden, fitting in becomes their primary task. Just as important as building on what they have in common, creating workplaces that enable people to voice and build upon their differences is also essential.

By undertaking an inclusion breakthrough and creating an environment in which all people are encouraged and supported to do their best work, individually and collectively, an organization sets itself up to become the magnet for the talent upon which its future depends.

Community and Social Responsibility

In the past few years, many organizations have come to recognize the strategic advantage of being socially responsible and investing in their local communities.

An effective inclusion breakthrough strategy cannot focus solely within the walls of the organization. To thrive, companies must develop beneficial partnerships with the people, organizations and communities that provide them with their work force, customers, suppliers and distributors. They need healthy communities in which talented people will choose to live — communities with effective schools, breathable air, safe drinking water and uncontaminated food. They need a healthy overall economy in which their products and services can find thriving markets. They need a social and a physical environment that will sustain them over the long haul, not just until the day after the next quarter's financial reports are posted.

How to Be a Socially Responsible Enterprise

There are almost as many meanings to being a socially responsible enterprise as there are organizations. For some, it might mean raising the pay scale from minimum wage to a livable wage. It might mean investing in the community for sound schools or working with police and government officials for a safe community. For others, it might mean improving environmental practices.

A growing, worldwide movement holds organizations, especially large corporations, accountable for the effect they have on the world around them. In response, many companies are addressing their environmental and social policies and practices, including the effect they have on various social identity groups in the communities they serve.

In addressing a worldwide Mobil diversity forum in 1999, Lou Noto, former CEO of Mobil, said, "Successful organizations need successful communities. You cannot have a viable organization if you do not have a viable community." Accordingly, many organizations have taken the notion of investing in the local community to heart.

Progressive and forward-thinking business leaders are looking at all the communities where their organizations' facilities are located, not just affluent communities but also those struggling to survive. They are seeking investment in these communities not as a handout or public relations ploy but as a hard-edged necessity. As Whirlpool CEO David Whitwam said at a meeting of Michigan's Council for World Class Communities, "Unless our communities can attract the kind of people we want working in our company, our company cannot survive."

Enhanced Value to the Marketplace

As organizations start to reach out to a wider spectrum of customers, many continue to do so from a perspective that makes representation the goal and diversity something to be managed, tolerated or used as a tool to highlight certain opportunities. Some organizations may consider the diverse segments of the marketplace as niches rather than as core to business success, and see diversity through the lens of the box, as ancillary and not central to the organizations' definition of the marketplace.

One common misconception of the expanding opportunities offered by a diverse marketplace is that these opportunities exist primarily in other countries. Too often, a focus on global diversity overlooks the chance to capitalize on the diversity that exists in the organization's home country.

Enormous, Untapped Opportunity to Serve

There is an enormous, untapped opportunity to serve African American markets, the Latino and Asian American markets — the two fastest-growing demographic market segments in the United States — the lesbian and gay markets, the deaf culture market, the women's market and other social-identity-group markets. Just as organizations have segmented their traditional market — white men based on age, education and income — there is an enormous benefit to delve deeper into the differentiation of populations and to see the market opportunities waiting to be explored.

Organizations that are good at interacting and partnering with people of different social identity groups and the diverse elements in each identity group are in the best position to connect with these market segments. But to make the most of this advantage, people with those competencies must be in positions of authority and influence, included in the core processes of the organization and able to provide input into organizational policies and practices.

PART 3: CREATING AN INCLUSION BREAKTHROUGH

Every organization is different. A rigid formula for change cannot be applied successfully. The methodology for an inclusion breakthrough is designed to be not a road map, but a series of signposts. The route each organization takes depends on its size, hierarchy, infrastructure, people, leadership and history. It provides tools for identifying themes and issues that prevent the people of an organization from doing their best work. And it offers guidelines for addressing those issues in ways that will lead to sustainable success. Ultimately, it is designed to create an inclusion breakthrough — an environment in which every member of the organization can add value and enhance the organization's performance and competitive advantage for today and tomorrow.

The methodology is composed of four phases: building a platform for change, creating momentum, making diversity and inclusion a way of life and challenging the new status quo.

Although we present the phases sequentially, the components need not be implemented in this manner. Whereas some actions and strategies may be implemented only after certain resources and competencies have been developed, others may be carried out simultaneously. The methodology is flexible and adaptable to the needs of each organization. In different organizations, different interventions may be required at different stages, and some parts of some organizations will move at different paces. Therefore, those implementing the methodology must be flexible and adaptable as well.

These strategies are predicated on four essential building blocks of effective change:

- **Leverage:** Find and develop the most effective actions and points of opportunity to gain the maximum payoff from each action undertaken.
- **Linkage:** Coordinate and connect all organizational initiatives and activities so that they work together to create a total that is greater than the sum of its parts.
- **Leadership:** Equip both formal and informal leaders of the organization with the education and skills training needed to live and model an organizational culture that leverages diversity and builds inclusion.
- **Learning:** Recognize the process of change as an act of continuous discovery.

Building the Platform for Change

Phase I of the technology for creating an inclusion breakthrough focuses on identifying, developing and aligning resources and positioning the effort for implementation. It is the time for finding allies and partners and for laying the groundwork for change. In many ways, the most difficult part of the effort occurs before ever moving to the Phase I action items. Whether as an individual or as a group, taking the career-threatening risk of standing up and advocating for change requires a great deal of courage. That is what is required before real change can begin.

Change can start anywhere in an organization: in middle management, among line workers or in the human resources department. But for any change effort to be effective, have a lasting effect on an organization and be truly transforming — in other words, to be an inclusion breakthrough — it must be led and modeled from the top. Only the organization's senior executives can provide the commitment, resources and credibility required to convince people in the organization to stop behaving in the ways they have always behaved and to start adopting new, unfamiliar ways that may initially feel awkward, embarrassing and risky. Unless senior executives live the behaviors, values and attitudes of the inclusion breakthrough as the organization's new way of life, the rest of the organization will continue to follow the old ways.

Creating Momentum

Phase I of mobilizing for an inclusion breakthrough focuses on identifying, developing and aligning resources, and positioning the effort for implementation. As the more action-oriented Phase II gets under way, it is important to create momentum in the organization by emphasizing the mission critical nature of the process.

This is the time to make clear to everyone in the organization that life is going to change. Leaders of the effort must be prepared to be more visible. They must be ready to model the competencies and behaviors that they want to encourage in others and be prepared for the feedback, verbal and nonverbal, given to all pioneers of change. There will be new expectations, required competencies, and ways of behaving and working together.

In developing the initial 12-to-18 month plan for implementing organization-wide culture change, the inclusion breakthrough leadership team should focus on building and sustaining momentum to make it happen. The elements of Phase II should be incorporated into the plan, including the strategies and actions that emerge from the data feedback process.

Making Diversity and Inclusion a Way of Life

After the organization has built a platform for change and created momentum for the change effort, the leaders of the inclusion breakthrough are positioned to apply what they have learned about leveraging diversity, building inclusion and strategic culture change to accomplish goals they could not have defined before embarking on the effort.

Key to developing an expanded and longer-term plan for achieving and sustaining the inclusion breakthrough is leveraging the new competencies, resources and organizational capabilities that have been gained since Phase I. They make a new realm of strategies possible. More significantly, they make a new realm of strategies *doable*.

Central to Phase III of the methodology is developing strategies that link the inclusion breakthrough to all of the organization's operations and process-improvement initiatives. Such strategies include applying inclusion-oriented competencies to achieve breakthrough transformations in customer service, product design and market-development planning. The starting point may be a culture change effort, but the results include a repositioning of the organization's products and services for a more sustainable future.

Leveraging Learning and Challenging the New Status Quo

Phase IV of the methodology to achieve an inclusion breakthrough might be described as "Going Forward Back to Phase I." To sustain the inclusion breakthrough, it must be continually recreated. Even a highly diverse group can grow static and overly comfortable with the new status quo unless it constantly strives to increase and leverage its diversity and expand its parameters of inclusion.

Just as the strategies of Phase III cannot be formed or implemented until the lessons of Phases I and II have been experienced and learned, the strategies of Phase IV use what has been learned from the first three phases to evaluate the progress to date and reassess the needs of the organization in light of the changes in perspective and circumstance since the start of the inclusion breakthrough.

Another key to the success of the inclusion breakthrough is the understanding that unforeseen issues will arise. The organization's senior leaders must build in the flexibility to deal with these unexpected issues as they arise.

Communicate Accomplishments Internally and Externally

Going public is necessary to maximize the full benefits of the inclusion breakthrough. To attract talented people from the broadest spectrum of backgrounds, having the right stuff is not enough. An organization must also be known as a place of opportunity for growth and success, financially and professionally, with a culture that welcomes people's passions.

Continuous Improvement and Continuous Change

Unleashing the real power of diversity is not about just adding on to business as usual — there is no such thing as steady state. The inclusion breakthrough is about continuous improvement and continuous change, the capability to respond to an ever-shifting and continually changing environment and having a wealth of resources capable of responding to that environment. And it continually raises the bar — as customers receive more, they expect more from both the organization and others they come in contact with, demanding that organizations meet and exceed their expectations.

To achieve this status, an organization must pursue a course of strategic visibility, seeking to raise public awareness of its workplace practices and accomplishments, especially among the people it wants to attract.

Conclusion: Breaking Out of the Box

To bring about the inclusion breakthrough in your organization, you have to start by making one within yourself. To lead an inclusion breakthrough effort, you must commit yourself to constant learning and growing. Part of creating a safe environment for growth and change is making it safe for people to experiment and to know that each step informs the next — to allow for mistakes, to deal with obstacles and to identify new opportunities along the way. It takes both patience and a sense of urgency to achieve a breakthrough: patience to position all the right elements and urgency for execution. Getting an inclusion breakthrough effort launched is really just the first step of the journey. To succeed and survive on this journey, you and others must be committed to the potential of all people in the organization and the positive power of their combined efforts.

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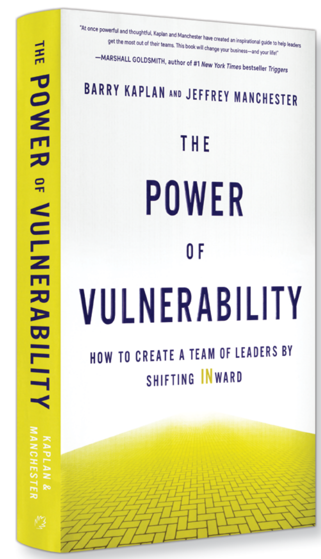
Leadership

The Power of Vulnerability

How to Create a Team of Leaders by Shifting INward



by Barry Kaplan and Jeffrey Manchester

THE SUMMARY IN BRIEF

Work is often a source of dissatisfaction for people because in their desire to get ahead, they often lose touch with their values and internal sources of power. *The Power of Vulnerability* offers a new approach to transforming corporate culture so that you can thrive at work and in life.

Authors Barry Kaplan and Jeffrey Manchester have leveraged their decades of experience and created a guide to finding success and fulfillment for teams and individuals. They teach readers how to create a sense of safety, encourage exploration, develop an INpowered team that transcends organizational hierarchy, foster communication and be authentic.

Manchester and Kaplan can help you find INpowerment so that you and your colleagues can create a fulfilling, supportive and open corporate culture. This fulfillment creates loyalty and long-term employee commitment to organizations.

The Power of Vulnerability includes everything you need to unlock the potential of yourself and your organization.

IN THIS SUMMARY, YOU WILL LEARN:

- Why authenticity and vulnerability are the keys to unleashing power.
- To INpower everyone to lead more effectively, whether they're the boss or not.
- To create rules of engagement for true authenticity in your organization.
- To find your purpose and create a life plan.

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THE COMPLETE SUMMARY: **THE POWER OF VULNERABILITY**

by Barry Kaplan and Jeffrey Manchester

The authors: Barry Kaplan, a partner in Shift 180, is an expert in organizational development and leadership. He is an executive and team coach for entrepreneurs, leaders and their teams and actively leads small group, board and management team offsites and retreats. Jeffrey Manchester has worked with over 1,000 presidents and CEOs as a strategic advisor. He is a master at INpowering individuals and teams to maximize their true potential through the gateway of authenticity. *The Power of Vulnerability: How to Create a Team of Leaders by Shifting INward* by Barry Kaplan and Jeffrey Manchester, copyright © 2018 by Shift 180, LLC, has been summarized with permission of the authors, Barry Kaplan and Jeffrey Manchester, by arrangement with Greenleaf Book Group. 256 pages, $24.93, ISBN 978-1-6263-4473-0.

The Journey Begins: Isn't It Time?

Do you want more? Do you feel like you are going through the motions at work? Are you struggling to find meaning in what you do? Many business leaders and professionals say they have a sense of feeling alone.

Disconnection from purpose and authenticity is the root cause of this loneliness and lack of inspiration. Lack of connection gets us stuck. What keeps us stuck in the same place are our self-limiting beliefs. We create limits for ourselves, and we actually spend energy finding ways for these boundaries to be reinforced by others. Ultimately, they become embedded into our internal operating system of how we must show up in our roles and perform our jobs.

These limiting thoughts include beliefs about how much of ourselves we can reveal in meetings; beliefs about our roles in the leadership of a team, department or organization without being the hierarchical boss; beliefs about the appropriateness of more real, open, even vulnerable conversations; beliefs about our ability to take risks within the organization; beliefs about our own powers, authority and/or ability to change our circumstances; beliefs about the combined capabilities of the team; beliefs about our ability to feel a deep sense of fulfillment; and beliefs in our and the team's ability to handle chaos.

These self-limiting beliefs are self-fulfilling — unless we choose to change the belief.

"INpowerment" (not to be confused with empowerment) comes from our beliefs that each individual and team have more power than we realize; each of us has the capacity to access the power inside us; we can learn how to do it; we can do it on our own but even better as a team; and we need to discover and unleash that power by shifting inward. The potential of INpowerment reaches beyond our imaginations, yet it requires the courage of vulnerability to join the journey.

For Return to Connection: INpowerment Is Worth It

Organizations can be the ones to create the changes needed to create an environment that fosters connection and engagement. Embracing authenticity is a new paradigm for corporate culture. Authenticity is the key to unleashing power.

When you get to see someone for who they really are as a human being, beyond the façade, underneath the armor — not what they want you to know about them but the true person — you can genuinely open yourself to their struggles on the job. You then develop empathy, compassion and a feeling of care for your colleagues that comes from a genuine desire to support them with their challenges. That's because you're emotionally engaged with them and with their cause, not just intellectually curious.

The notion of how to empower individuals and teams too often misses the critical element of authenticity. With INpowerment — we have to always look internally first before we can look externally. We have to be all IN and willing to be the beautifully imperfect beings we are. We have to be willing to share our diverse set of perspectives, to use our own unique voice.

INpowerment requires a shift to claim personal responsibility to do what you need to find alignment with something greater than yourself, show up with your voice and bring your personal power to the team. The only

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Rebecca S. Clement, Publisher; **Sarah T. Dayton**, Editor in Chief; **Ashleigh Imus**, Senior Editor; **Masiel Tejada**, Graphic Designer; **A. Imus**, Contributing Editor

obstacle to accessing that power is our judgment about what we cannot be or do.

Breakthrough: Claim Responsibility to Shift Direction

Now that you've realized you want your voice back, the journey can begin. This is a journey back to YOU.

Classically, we look outside ourselves for answers and change, hoping to find a cure for the aching pit in our stomachs. But searching outside hasn't led you to a sense of passion and fulfillment in your life. It's only left you less than whole — a partial you. You must go inside and embrace that the change you must make begins with you. It's not the team that has to change. It's not your boss. It's not your commute. It's not your kids. It's you.

When you have lost your connection to yourself, you have lost touch with the many things that make you who you are — your values and beliefs, your wants and desires, and what you are most passionate about. This lack of connection to self is the chief culprit responsible for your loss of power.

Once you open yourself to the possibility that you are responsible for creating the "stuckness," you have the opportunity to change. You got yourself here; now you need to get yourself out. Start now. Choose to begin the process of learning more about you. Choose to engage with yourself and others more fully and completely. Start looking inside to find your voice and learn where you can connect with something greater than yourself.

Who Goes First? Don't Look Outside Yourself for the Leader

The journey to INpowerment is for individuals and their teams. Ultimately, transformed individuals build powerful teams, and a powerful team inspires individuals. The two serve each other.

Most people assume that embracing a deeper level of authenticity, especially when you are changing the culture of an organization, must start with the head of the organization or team. Though hierarchal leaders need to buy into the benefits and be willing to become authentic in order for the shift in the organization to be sustainable, the catalyst for that change can actually come from anyone on the team.

It's important that we distinguish the difference between a boss and a leader. The boss is the person who owns the ultimate decision. They are accountable for a particular decision. A leader can be anyone on the team — anyone, including the boss. That's because everyone has something to offer.

Leaders bring their power to the team — their voice that shares their ideas, opinions and concerns. Everyone who exercises his or her personal power in this way is a leader. While the boss may have the final decision, you owe it to yourself — and your team — to bring all that you have to discussions and meetings.

Vulnerability is the gateway to unleashing all of your power! This idea may be completely counterintuitive. But vulnerability is leadership within a team. When you are in a place where it feels safe to become more vulnerable, and you show up with your truth, you are bringing your power to the team. That gives others on the team permission to do the same thing. When you are willing to take the risk and make yourself vulnerable, the team will draw upon your example, and the entire team, through its vulnerability, will unleash the power that comes from authenticity.

Reclaim Your Power: Any and All Leaders IN

When the hierarchal boss understands and embraces this conceptual shift, that boss comes into the true power of their leadership. The boss is an individual, too. So, the development of the boss in their leadership calls for them to accept that the best way to get stuff done, to be the boss, to be a real leader, is to encourage others to step into their best version of personal leadership. That means you, as a boss, need to accept that you may not always be right, that you may not always know the answer, that you may not even know who does know.

You'll also need to accept that it is okay and even sensible (though risky) to move into the unknown, that it is okay to believe that the best outcome is when you can be both the boss and a leader without having to always lead. Embrace the reality that sometimes the highest form of leadership is when you lead from behind by creating the environment for others to claim their power and step in before you.

But the boss starts out like everyone else, needing to go inward and do their work to unlock their power, too! They may have hierarchical power or authority, but they still need to reclaim who they are.

This is a brave new world for the new boss as they continue to allow themself to be a member of a team of leaders, not THE leader of a team. The weight of carrying the burden of having to be right or to be the person with all the ideas and answers is now gone! The boss can worry less about what they have to give to their teammates in direction and ideas and focus more on what they can take away from their teammates (through helping them remove barriers and blocks to their success). They are leading, and the boss is engaged in making them the best that they can be in their roles.

By INpowering each leader to lead, meetings will look and feel different. Previous meetings where the boss was required to bring the agenda and try to facilitate dialogue among the team will give way to each leader bringing content and/or agenda items to co-create the specifics of the agenda.

Time to Show Up: Start a Cultural Revolution in Your World

As members of the team embrace this new form of authenticity and it begins to flow into the rest of the organization, the culture of the organization will begin to change. This truly is a cultural revolution.

What unfolds next is a greater capacity for creativity and innovation and, ultimately, productivity. The boss no longer has to push their agenda; rather, the other leaders on the team will learn to co-create buy-in to align with the agenda.

Buy-in is more compelling and important than agreement. You can disagree with a final decision and still give your buy-in, because you have expressed your beliefs, opinions and feelings. It's better than just feigning agreement because of the inevitable decision or vote. Rather than forcing the vote, the ultimate decision is organic, a product of everyone speaking his or her truth until it is clear where the buy-in resides.

The growing power inside each individual radiates to create greater power for the team. No longer concerned about hiding something or being shamed, team members can show up in their power as leaders. This is the core of the cultural revolution.

Now your team is feeling the power that authenticity provides. This new connection creates resolutions to core issues that will propel the company into new levels of performance. The individuals on the teams are even more fulfilled in their contribution.

Hang On: Disruptive Processes Ahead

A cultural revolution calls for a dramatic change, or disruption, in our way of being. To get to our infinite store of hidden power inside, it's helpful to use disruptive processes to unlock it. Although this may sound a bit scary, don't be afraid to be afraid! This is the gateway that we need to go through to get to the power on the other side.

In the context of a team, a disruptive process is, by definition, doing something that the team wouldn't normally do. It disrupts our normal "business as usual" protocol. This requires getting comfortable being uncomfortable.

Think of your normal meeting experience. Typically the agenda has been predistributed to the attendees. As soon as everyone arrives, you might greet each other. "Hi, how are you?" elicits the rote response of "Great, how are you?" which then elicits yet another superficial response of "Fine." Then, most everyone continues to look at their phones, knocking off emails and texts, even after the meeting has opened and typically several times during the meeting.

Instead of this "business as usual" approach, you could start your meetings by having everyone turn off all electronics (or, in some cases, collect cell phones in a basket when everyone comes in the door). This simple step immediately pushes everyone outside of his or her comfort zone. The eye twitches and technology withdrawals begin! Excuses and rationalizations about why they have to have their phones are endless. But to bring your power and engagement to the meeting, you have to be present, not distracted by other matters, and this is all about accessing your own and the team's latent power.

Operating with disruptive processes is at the core of the revolution. Once you embrace these tools for a period of time, they will no longer be considered disruptive — they are the new normal.

Warm Up: Access Power Through Vulnerability — Ask, Don't Tell

It's time for a meeting or offsite, and the team wants to prepare for the big event. There's a lot to cover, and you have your ideas about what you'd like to say. Yet at the same time, you're reserved and unsure whether it's worth the risk to speak up. You'd like the interactions to be authentic and therefore productive. So, how do you get ready? The process calls for taking risks and vulnerability.

Begin the journey to authentic connection by deeply listening to what is needed to help make the team thrive. Work to understand what cultural shifts and changes in management meetings and rhythm need to happen, what "elephants" may be in the room and what sensitive conversations need to be facilitated. Only then can you begin to craft an agenda that will take the group to where it needs to go. As you begin your journey of INpowerment, start with that deep inquiry into a vulnerable place.

The INpowerment principle that applies here is, your depth of connection with the team will mirror the depth of your connection with yourself. Before you can connect with the team, first connect with yourself.

First, ask yourself about "you." Do you have limiting beliefs you're holding toward the team or any individuals? What issues do you have with other teammates that are preventing you from engaging more fully? What is the range of emotions that get triggered when you reflect on your role in relation to the team? This will inform you about how to navigate frustration or anxiety around certain individuals.

Next, how do you feel about team or organizational challenges or blind spots? Invite yourself to diagnose these flaws that might be getting in the way of the team becoming more powerful. What are the organizational challenges that emerge from those blind spots or other stumbling blocks? Do you see blocks to achieving the results you're committed to? You are getting clarity on what is most important for you and the team to tackle.

When you have connected to yourself first and then fully and transparently connected with your group, you have opened the gateway to make direct requests about what you want. Start by looking inward to get clarity up front about what is important to you. Explore what you want to have happen at the meeting or what a successful outcome looks like if you get what you want. Although you may not get it, if you don't start by asking yourself what you want, you'll never know.

Taking the Leap: Safety Belts, Please!

Imagine that you are considering a bungee jump off of a bridge that's several hundred feet above the canyon floor. The first thing you're going to do is look at the company's safety record. Then you'll check the maintenance procedures for the safety harness and bungee rope that is supposed to hold you. If you deem it to be safe and therefore that you TRUST it, then you'll take the leap.

Taking a risk in a relationship with a colleague requires the same thing — safety. If you don't believe it's safe enough for you to share your opinions, you are not going to. Yet, because you have clarity about what you want, you can now navigate the relational and team dynamics to ensure that you express yourself more fully. Because you have clarity about your need to create safety, it's already safer.

Creating safety in the team is the prerequisite for taking risks. There are five steps to the process of creating a safe space.

1. **Getting present.** First, getting present in the moment invites you to set aside distractions that will inhibit your power. Your presence leads to your power.
2. **Understanding and committing to guidelines and a protocol for how we are going to connect.** Introduce guidelines for everyone to embrace as a framework for interacting with and connecting to each other. As examples, everyone commits to speaking their truth, owning their judgments and feelings, actively listening and speaking respectfully without blaming or shaming.
3. **Using the Clearing and Resolution model.** Instead of ignoring the elephants in the room, clear them out so everyone can be aligned with themselves and the people they work with. The construct for clearing issues uses the following elements: facts, judgments, emotions, role or responsibility and specific wants.
4. **Completing exercises to take steps toward authenticity.** Sometimes this may be a simple prompt that calls for self-reflection and vulnerability. For example, ask everyone to share an experience from the past month that inspired his or her passion.
5. **Anchoring and integrating the process.** Take time to debrief the outputs and next steps to assure that the decisions, insights and learning can be brought to life in a meaningful way. That makes it safe for the team the next time it comes together.

Where Are You Right Now? Eyes on the Road

The only place you have any power is in this moment, right here, right now. If you are still thinking about this morning's breakfast meeting, you have no power. If, in this moment, you distract yourself with the electronic buzzes and beeps from electronic devices, you have no power.

The key to being in your power is to be acutely present in this very moment. This takes slowing down at the beginning of the meeting to accept and honor that it takes a few minutes for everyone to get present. Being present will allow for greater clarity in conversations and the ability to move through the agenda more effectively than you would having everyone mentally somewhere other than where they're sitting.

A useful check-in tool follows the acronym MEPS, which stands for Mentally, Emotionally, Physically and Spiritually. The question that goes with MEPS is, where are you right now (not this morning or next week) through four energy centers: the head, the heart, the body and the soul?

- **Mentally** (in your head) — are you clear or distracted? Focused or in a stream of consciousness?
- **Emotionally** (in your heart) — what is the range of your feelings: glad, mad, sad, scared, ashamed, guilty or tender? Are you feeling more than one?
- **Physically** (in your body) — as you scan your body right now, do you feel achy, tight, fit, hungry or tired?
- **Spiritually** (in your soul) — are you connecting (or not) to something bigger than yourself? That could be nature, purpose or calling, higher power, connection to people, or perhaps right now there is lack of connection.

As you all become present in the moment, you will sense a different energy in the room. It is palpable. The same bodies are around the table, but the communal spirit is heightened. Each of you is bringing more of yourselves by connecting with your presence.

Rules of Engagement

Assuming everyone is present, connected and engaged — now what? Even if you are starting to buy into the premise that vulnerability and transparency are critical, there is still a need to understand HOW to actually show up in a safe way.

A cultural communication revolution requires the establishment of guidelines that everyone can embrace and honor. These guidelines lay out specifically how we are going to connect with one another to honor confidential conversations, encourage open and honest dialogue, commit to speaking individual truths, and include emotional context for where the team is so they know how to process interactions.

Here is a set of guidelines for working with groups of various sizes, from one person to small and large groups:

- I will respect confidentiality.
- I will be present in the moment.
- I will stay when times get tough.
- I will speak my truth.
- I will ask for what I want.
- I will take care of myself.
- I will express and own my feelings.
- I will own my perspectives.
- I will actively listen.
- I will speak respectfully, without blaming, shaming or fixing.
- I will ask permission before offering feedback or advice.
- I am willing to make mistakes.
- I am willing to laugh at myself.
- I will be on time and stay until the end.
- I will turn off all electronics.

These guidelines are a framework to keep things safe so you can work. They are a path to the safety of mutual respect and honor the breadth and depth of truth with compassion for others and ourselves.

Wow, Honesty! Navigating Rocky Roads

When a team member is holding back a concern or issue with another team member or with the team, that issue needs to be cleared.

How do you know when you have an issue that needs to be cleared? You will likely be emotionally stirred up as you attempt to reconnect with the individuals on your team. You may notice that your internal dialogue wants you to shut down or withhold how much you share. Sometimes you may feel an emotional trigger someplace in your body — perhaps your belly, neck, head or shoulders. Triggers are blocks to the openness you are looking for. The only way to create the trust necessary to get back into a deeper conversation is to clear the trigger.

When you get hit on an issue, here is a five-step clearing process to identify and separate the clutter:

1. **What are the facts?** A small part of your issue is grounded in facts, so it helps to parse those bits of provable, objective data first.
2. **What are your perspectives?** These are your opinions and beliefs that come from your point of view. In the clearing process, as with the guidelines, you own your perspectives. This keeps the person or team you're clearing with safe from any projections.
3. **What are you feeling?** Do you remember any physical sensation you have experienced about the issue? That physical feeling was associated with an emotion. By identifying and speaking about the identified emotion, you are liberating or clearing yourself from them.

4. **What was your role in attracting the issue to you?** Stuff doesn't just happen to people. Rather, they have a role or responsibility in why they attracted whatever situation they were a part of. In this critical step, you share what your part may have been in creating the issue.

5. **What do you want specifically?** Now you have the opportunity to ask for what you want. You may not necessarily get it. Though if you don't ask, you'll never know. This request is also the platform for what resolution may follow the discussion.

A clearing helps people break free from emotional triggers that get in the way of presence, and one of its benefits is getting opportunities for resolving real problems and issues that come from the specific wants articulated in the clearing.

Embracing Our Fellow Travelers

The gift you are bringing to this company and this management team is YOU. And what makes you different from every other person that is sitting in the conference room with you is your story.

For us to truly know one another, we have to understand each other's stories — not what's in your resume or your company bio but the life-shaping experiences that have made you who you are. These experiences have formed your belief systems and how you operate.

The sharing of personal stories is crucial for creating an authentic team. It starts the conscious choice of building relationships and investing in the lives of the people you work with.

When you share your story, connect to the narrative through emotion — express your feelings with both words and nonverbal energy. Share how your story impacts you, your family and vocation. Your goal is to win over the listener as an invested cheerleader for you, because they are now connected to the real "you" through your story.

After connecting with everyone's life-shaping experiences, the team will have formed a bond that will forever change how you see each other. You will now begin to understand your colleagues' decision-making processes and the motivations behind their ideas and positions.

This doesn't mean that you won't have differences of opinion. On the contrary, you will have taken the level of trust to a much higher level, allowing for even more expressions of dissenting opinions.

Making Our Way: Use It or Lose It

To assure that change stays with your organization instead of becoming a fleeting flirtation, you need to anchor and integrate new processes and systems. Here are some specific actions that you can take to anchor and integrate this experience.

Use processes more rather than less. There are many times during the day that doing a MEPS at your desk can help you get present before a call or other work you're trying to accomplish.

Integrate processes in every meeting and interaction for three weeks. Yes, in every interaction. If you drop in on a colleague for an impromptu meeting, check in first. When your colleague asks you, "How are you doing?" reply with depth, saying something like, "Well, I'm pretty scattered right now. I'm anxious about my kid's upcoming surgery, fatigued from lack of sleep but pretty connected to my belief of hope." You'll energetically invite your colleague to also check in, and you'll find the dialogue that follows will reward both of you.

Model authenticity and clear often. Anyone on the team can step up to go first and model authenticity. So, practice it every day in all interactions. Before the first month is out, everyone on the team will be able to lead and model the new rhythm. For the first six months, also have everyone bring at least one item to clear at the beginning of the meeting. These clearings will give the group confidence that they can successfully use the model.

Come up with unique ways to maintain connection with your group. One way you can do this is to have each person offer up their own icebreaker to use at the beginning of your meetings to help others get present. You could rotate responsibility around the group for a connective icebreaker. This helps everyone embrace the "responsibility" portion of ensuring that integration happens.

Real Journeys

Thomas was a founder and CEO of a growing retail chain of beauty salons. His biggest challenge was recruiting and retaining talent. Thomas referred to the problem as "putting bodies behind chairs." He had a whiteboard in his office that had a running tally of bodies — he called it the "Body Count." His formula for success got him to 100 stores, but now his rate of growth was stalled. The team was running in place, and he was even having challenges retaining some of his top executives.

On a three-day retreat, his team worked on building safety, to (re)introduce themselves as the real people they were rather than as workers in the particular roles they played.

Joe was from Cincinnati. Sid grew up in Brooklyn. Cathy was the fourth generation in her family from New Jersey. Frank was originally from Toronto. Sarah was born in Israel and grew up in Miami, and Greg was from Salt Lake City. They shared their stories, owned and expressed their regrets, their triumphs and defeats, and even their aspirations and dreams. They bonded. They connected. Moreover, Thomas started to appreciate his team as people instead of as employees. He recognized the possibility that his office had lots of people with unique stories.

On the retreat's final night, Thomas revealed, "You guys taught me that there is more to our business than numbers or my Body Count. I have sold most of you short. I'm pretty sure I've underestimated the store managers and stylists back in our stores. They are far more than numbers. They are real people with heart in each of their stories. We need to shift the way we're going after growth. First, I want to stop the bleeding of attrition by recognizing our staff as people; and second, I want to change the way we go after new people."

This new sentiment spread once everyone returned to the office. Thomas continued to be relentless about the organization's growth possibilities, but his aspirations for those lofty goals were no longer just about him and his success — they now included his teammates and incorporated their stories. Throughout the head office and into the field, word spread about a new kind of energy.

Wide Road Ahead: It's Your Brave New World

How many of you have created a business plan? These plans are often how we continue to think about our business, which constantly challenges us to find that elusive ideal "work-life balance."

Unfortunately, trying to manage life balance with only a business plan starts with a win/lose scenario (either work wins and family loses or vice versa) and a zero-sum game where we must be involved seven days a week and 24 hours a day. This approach doesn't work. A life plan, on the other hand, changes the nature of how we approach our lives. It's designed to help us be intentional with those key areas of our life that bring us joy and fulfillment.

The key ingredient for a life plan is changing the win/lose scenario of a plan that only looks at our vocational life as multiple wins across all domains. Let's say you want to focus on your marriage, kids, health, leadership and deepening your faith over the next year. Your life plan will allow you to create an intentional rhythm to connect to each of these five domains, inviting you to feel connected to the totality of your life in a real and meaningful way.

This means that even if you choose not to work over the weekend, the connection and fulfillment that you've experienced by being fully engaged in your life will translate into more creativity, energy and enthusiasm when you are back at work. Because the energy from all areas of your life is connected, your "work" in your personal life helps you to be more effective at work, even though you are technically spending fewer hours.

Now that you are choosing to be all IN for your life, you also need to know your purpose, what drives you at your core. Your purpose provides you with the overarching guide for every choice you make. Aligning with your purpose is key to maximizing fulfillment in your life. It's what brings meaning to you.

Think about it this way: Just as every business has a mission statement designed to guide the company's focus, your purpose acts to give you focus for your life.

Knowing your purpose helps you be in alignment with your true power. It is an indescribable feeling that evokes the sweet spot where mental clarity, positive emotion, physical gratitude and spiritual connectivity merge. And, as you authentically connect inside yourself, you immediately have the success formula for becoming the best leader, parent, sibling, child and friend you can be.

With presence and power, you are right where you need to be right now — so, be INpowered.

Once you are, you will feel an ever-growing realization that you are aligned with yourself. This is a result of being in sync with your deepest truth. As you show up and realize you are where you are meant to be, that alignment will create an even deeper sense of purposefulness in how you show up.

It's not in the future or in the past. It's right here, with you, in this moment.

September 2013

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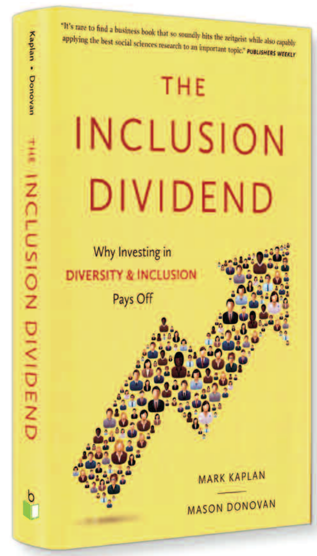
Leadership

The Inclusion Dividend

Why Investing in Diversity & Inclusion Pays Off



by Mark Kaplan
and Mason Donovan

THE SUMMARY IN BRIEF

With the increasingly diverse, global, interconnected business world, diversity and inclusion (D&I) has become a core leadership competency and a central factor in the success of business. Diversity and inclusion is no longer simply "the right thing to do"; rather, it is a key component to a successful business today.

Working effectively across differences such as gender, culture, generation, race and sexual orientation not only leads to a more productive, innovative corporate culture but also to better engagement with customers and clients. *The Inclusion Dividend* provides a framework to tap the bottom-line impact that results from an inclusive culture. Most leaders have the intent to be inclusive; however, translating that intent into a truly inclusive outcome with employees, customers and other stakeholders requires a focused change effort.

Drawing from the latest research and numerous case studies, Mark Kaplan and Mason Donovan explain the challenge of incorporating inclusion into business and leadership and provide straightforward advice on how to achieve the kind of meritocracy that will result in a tangible dividend and move companies ahead of the competition.

IN THIS SUMMARY, YOU WILL LEARN:

- Creating a truly inclusive and diverse environment goes far beyond "doing what's right" and directly impacts your bottom line.
- The insider–outsider dynamics and group identities really do matter to your business, both internally with employees and externally with customers, clients and stakeholders.
- How to get insider groups with power to see things from the point of view of outsider groups without power so that real change can occur.

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THE COMPLETE SUMMARY: **THE INCLUSION DIVIDEND**

by Mark Kaplan and Mason Donovan

The authors: Mark Kaplan and Mason Donovan are managing partners of The Dagoba Group, a New England based consultancy specializing in leadership development, diversity and inclusion, and organizational change. Kaplan is the former CEO of MGK Consulting and has been advising organizations in these areas since 1986. He has been published in leading diversity publications and is a guest speaker at global D&L focused conferences. Donovan has consulted with Fortune 500 companies for over a decade on talent acquisition, retention and development. He has also worked with companies to create sustainable client relationships. Donovan is the author of *DRIVEN: A Manager's Field Guide to Sales Team Optimization.*

The Inclusion Dividend: Why Investing in Diversity & Inclusion Pays Off by Mark Kaplan and Mason Donovan. Copyright © 2013 by Mark Kaplan and Mason Donovan. Summarized by permission of the publisher, Bibliomotion, Brookline, MA. 256 pages, $34.95, ISBN 978-1-937134-40-2. To purchase this book, go to www.amazon.com or www.bn.com.

For additional information on the authors, go to www.summary.com.

Introduction

The Inclusion Dividend was written for business leaders trying to better understand how their personal and corporate investment in inclusion will provide a return.

Over two decades of working with corporations around the world, we have found that a strategic investment in creating a diverse and inclusive corporate culture always pays off. It pays off at the individual level with happier, more fulfilled employees, at the group/team level with increased productivity and innovation, and at the systemic level with additional bottom-line shareholder value.

Diversity? Inclusion? What Do We Mean?

Ask any board of a Fortune 1000 if their company is built on a meritocratic system, and the answer will be a resounding, "Yes." Employees get promoted based upon their performance. If this is true, why do we need to develop our leaders on creating an inclusive environment that engages a diverse workforce? After all, our corporate culture is based on meritocracy, right? Those who put in the effort will be rewarded regardless of their differences.

But ask yourself why we would need to enact laws that force employers to pay women equally for equal work. In a true meritocracy, your gender would not dictate pay. The story gets replayed with many other dimensions of difference: ethnicity, education, sexual orientation, race, ableness, age and so on.

Although we may aspire to have a meritocratic system, the cold hard truth is that it does not yet exist.

In an interview series on the evolution of diversity and inclusion, we asked chief diversity officers what percentage of corporate development they believe is being driven today by legal compliance. Not one of them gave an answer above 30 percent. So if the push for diversity is not driven by a desire to stay out of court, what is it?

This question brings us back to why we believe so strongly in a merit-based culture. Don't we want the best and brightest to be steering our ship? This line of thought argues that when we put the most productive workers in our most critical positions, we maximize corporate value and shareholder return.

However, long-standing barriers prevent meritocracy from becoming a reality. Herein lies the need to invest in opening up channels for a more meritocratic system. The return on this investment can be considerable.

At The Dagoba Group, we define inclusion as a systemic aspiration: the goal is to include everyone, to create a climate that is inclusive, and to create talent acquisition and management processes that are inclusive and fair. In our view, all of this is done not as an add-on or nice thing to have but as something essential for maximizing the ability of an organization to meet its mission. In today's global business environment, we see no other way. Diversity is already here at certain levels. The challenge is to bring it to all levels. Meritocracy requires inclusion to work and diversity for fuel.

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Rebecca S. Clement, Publisher; **Sarah T. Dayton**, Editor in Chief; **Andrew Clancy**, Senior Editor; **Amanda Langen**, Graphic Designer; **Corbin Collins**, Contributing Editor

The Business Case for Inclusion

Companies are in business to make a profit. Investments need to accomplish at least one of two things: reduce expenses or increase revenues. The business case is the story behind reaching one or both of these goals. Every diversity and inclusion effort needs to be directly connected to the organization's purpose.

The business case for inclusion has three key areas: talent management, talent acquisition and marketplace engagement. These areas stem from two vantage points: internal dynamics and external relationships. Internally, the focus is on attracting, retaining and developing staff. More specifically, the emphasis is on these factors:

• **Talent Acquisition:** Are we accessing a broad employment pool, and does our brand attract a diverse set of potential employees?

• **Talent Development:** Are we creating conditions and opportunities that tap the talent of a diverse workforce?

• **Employee Engagement:** Do we inclusively engage our diverse workforce? Do our employees feel good about the company and able to bring their best contributions? Are we retaining high-potential employees?

• **Workplace Climate:** Does the day-to-day environment promote inclusion and success? Does our culture promote teamwork and innovation?

Attracting, retaining and developing the best and brightest talent are pivotal to a healthy, profit-driven organization. When work environments are more welcoming and inclusive, companies enjoy greater retention rates of critical revenue-positive employees. A working D&I strategy not only helps talent acquisition and employee retention; it also creates an environment where employees are more productive.

Donald Fan, senior Director of Diversity at Walmart, notes, "While business lore tends to link innovation with the creative drive that is exclusive to the top and brightest talent, true innovation thrives in an inclusive culture that values diverse ideas, leverages unique perspectives, and invites everyone to achieve collaborative breakthroughs across the entire organization."

The External Business Case

Many companies have decided that they need to change the way they communicate with their current and future target audience. The simple approach is to use "mirroring." This is a numbers game that involves matching the percentage of minorities in the employee population to those in the customer base. Mirroring can create more problems than it solves. It can be difficult to place such a recruitment burden on your hiring team if the company has no real effort to create an environment that attracts a diverse group of candidates.

At The Dagoba Group, we have helped clients leverage their internal inclusion efforts to strengthen their client relationships in the cycle we call RADIX. Each letter of the model RADIX refers to a stage of the sales process:

• **Reach:** This is the pre-acquisition phase of soliciting potential customers, where there are introductory conversations. Having fully diverse representation on the team is important.

• **Acquire:** This stage is key to setting foundational expectations. How we are developed to create an inclusive team internally and how we are managed inclusively will affect our approach with external clients. Is there mutual respect on the team for one another's roles and ideas? It is not uncommon in larger deals or with requests for proposals (RFP) for the client to ask about your commitment to diversity and inclusion. Some have even begun to track and score their service providers' commitment to diversity.

• **Develop:** After the client is acquired, your efforts are focused on fulfilling the preacquisition promises and expanding your service footprint. There is a need to broaden relationships with many individuals at a client organization. Account executives who have not been developed to deal with diverse groups of decision makers will find it difficult to go beyond the initial decision maker.

• **Inspire:** There comes a time when each party has stopped being intrigued by the other. The relationship is either sink or swim at this level. It is not good enough to be simply good enough: You need to wow your clients and exceed expectations. At the Inspire stage, even the strongest bonds are tested.

• **eXit:** Unfortunately, due to reasons that may or may not be controllable, a client may move to exit the relationship — this is where managing the separation can help in future reacquisition. Maintaining relationships and keeping an open approach may pay off in future recommendations. It may also secure future business as these contacts move into decision-making positions. The business case in the exit stage is measured in "win back" clients and referrals.

Understanding Key D&I Concepts

Conversations about unconscious bias and insider–outsider dynamics can easily be lost in the noise of the daily office grind. Even for a leader dedicated to inclusion, putting together all of the pieces needed to fully under-

stand how D&I impacts daily life can be daunting. Visual maps can help highlight areas where key inclusion concepts play a role. The key concepts include:

• **Intent and Impact:** To move the company forward, leaders' intentions have to create the desired impact. A mismanaged event may lead to an unintended impact. This dynamic is exacerbated by diversity. Leaders often find it more difficult to give feedback to people who are different from themselves. This can be due simply to a lack of knowledge about what the other person needs and responds to. The employee not getting the feedback loses the opportunity to improve; the manager loses some level of full engagement from an employee, and ultimately, the organization loses productivity. A leader needs to be cognizant of the resulting impact of his or her behavior and words.

• **Unconscious Bias:** Bias has a negative connotation, so we tend to believe we are not biased. The first step to mitigating unintended bias in our decisions is becoming aware of our individual biases. Think of all the subtle behaviors that result from unconscious, unintentional bias. These behaviors often involve tones of voice, methods of engagement or vernacular that changes, typically along dimensions of difference.

• **Insider–Outsider Dynamics:** Every team or organization has insider and outsider groups based on age, ethnicity, gender, sexual orientation, or on education level, class or geography. The insider group is the group with more power; the outsider group is subordinated. Outsider groups must work much harder to stay level with the insider groups.

Levels of Systems Framework

The Levels of Systems Framework offers a way to understand the broader process of creating sustainable inclusion:

• **Individual Level:** At the individual level we are all unique, though there may be similarities across ethnicities, cultures, gender and so on. Individual histories and experiences influenced by these aspects of difference create very different people.

• **Group and Team Level:** Being from a particular socioeconomic background will expose one to certain influences and opportunities. Group memberships frequently have more impact than our individuality on our perspectives, experiences and behavior than does our individuality. How individuals vis a vis their group identities are able to flourish on teams will have an important impact on the organization. Insider-outsider dynamics, if not addressed, will severely interfere with the goal of creating an inclusive organization.

• **Organizational Level:** For one reason or another, a company has determined to recruit from targeted schools, base promotions on certain kinds of characteristics, and design a culture to reflect certain attributes. Those who decide which schools to target are basing their decision upon their own preference or perceptions. Our individual biases about our group memberships get embedded systemically, and then feedback to all of the groups and individuals in the company creates a self-fulfilling organizational culture, reflecting and reinforcing the biases and preferences of the most powerful people in the company.

• **Marketplace Level:** The company's success in seeing, understanding and engaging its current and future customer base is critical to its success as an enterprise. A company's brand will have a D&I component whether the company is aware of it or not. In a future that looks more diverse, not less, the marketplace level of system is even more critical.

Framing a Sustainable Inclusion Initiative

The Levels of Systems Framework is primarily about power. Power moves from the individual to the marketplace level. This framework will help you think strategically about how to construct your D&I strategy. D&I is continuously evolving as the organization grows. The most powerful (and thus sustainable) change is one in which all four levels are being leveraged in an aligned, consistent way.

The Individual, Interpersonal Level of Change

Too often, D&I work is viewed as primarily about shifting attitudes. This assumption takes many organizations down the road of training and development as the primary D&I strategy. Quite often, individuals emerge from this training with important knowledge but with no way to apply that knowledge. This can end up supporting the notion that diversity and inclusion are about "the right thing to do" but not substantially related to the business.

Training doesn't work unless it is connected to a broader change initiative that goes beyond the individual level. There are four major limits to focusing primarily on the individual and interpersonal levels: new awareness and behavior are not supported by others; a trainee's direct supervisor doesn't understand or support the intent of the training program; organizational reward systems do not support new behaviors; and talent-related processes do not support change. To fully engage a

diverse workforce and create inclusion and meritocracy requires a more systemic change approach as much of what matters to organizations goes well beyond interpersonal interactions.

The Group and Team Level of Change

When we describe the "group level," we are talking about group membership and identity, the social identity groups to which we belong or are identified. We are not talking about work groups or teams. The work at the group level is threefold:

- To identify the group memberships that have an impact on the experiences of people in your organization.
- To uncover patterns related to those group memberships that are problematic, reducing engagement and productivity.
- To confront the insider–outsider dynamics that are creating or maintaining those patterns.

The day-to-day work environment is most heavily impacted by the patterns and insider–outsider dynamics at the group level.

The Organizational Level of Change

We think of the organizational level as the place where dynamics, norms and practices are set into something just short of cement. This level is harder to change than the others, although certainly not impossible. At the organizational level, the work of inclusion is about changing policies, processes, formal and informal norms, and the underlying assumptions that drive behavior in the organization. Thus, to some extent, it is about changing the culture of an organization in that the culture often creates the informal norms and unwritten rules that become embedded. Here are some examples that describe these factors in more detail:

• **Policies and Practices:** The work of inclusion at the organizational level involves uncovering and either dismantling or reducing the impact of policies that have unintended impacts. Simply requiring a diverse interviewing team creates a more inclusive approach to the recruitment process. Quite often, company events are rooted in company history and tradition. As organizations have become more diverse, these events are proving problematic. Most organizations have a host of policies related to employees' family lives, and they have evolved quite a bit to be more inclusive of all employees. Some organizations have broadened their definition of "family" so that policies are more inclusive of many types of families. Progressive policies create true inclusion and go a long way toward engendering employee loyalty and engagement.

• **Formal and Informal Behavioral Norms:** Sometimes little norms have big impacts. An organization was examining its culture and looking for ways to create more inclusive norms. In one large division, there was a norm for scheduling meetings early in the morning, as early as 7 a.m. It became apparent that this practice of early meetings advantaged some groups and disadvantaged others: women, commuters, new parents and single parents.

• **Images of Leadership:** Perceptions of gravitas might say more about the viewer of the behavior and/or the culture of the organization than about the individual being observed. Images of effective leadership must be discussed, made explicit, and examined for relevance and bias, or they will become unconsciously embedded into organizational culture.

• **Culture:** Culture includes all of the little and not so little things that influence people to behave the way they do in an organization. Sometimes it is explicit, sometimes implicit. New norms need to be created that work for a more diverse group of employees.

The Marketplace Level of Change

The point at which the organization engages its stakeholders and client or consumer marketplace is a visible and critical boundary. It is directly related to the bottom line. At this level of system, there are four main areas of focus:

1. The organization's brand in the marketplace.
2. The extent to which an organization's staff reflects its customer base.
3. The ability to leverage D&I to create product and service breakthroughs.
4. The skill of customer-facing staff in engaging customers in an inclusive manner.

Power increases at the marketplace level because an organization's activities are meaningless if they aren't connecting to clients and customers effectively. An organization that connects its inclusion efforts to the marketplace will differentiate itself from its peers.

Unconscious and Unintentional Bias

The diversity and inclusion conversation has always been a challenging one. One of the biggest challenges in creating real and sustainable inclusion has been overcoming the guilt and defensiveness that the conversation provokes, particularly among members of insider groups. Essentially, most of us don't like to acknowledge our own biases and shortcomings.

Bias gets embedded into all sorts of organizational systems and processes. It also affects how an organization views and engages in its marketplace.

Unconscious bias is pervasive and universal. It translates into behaviors, often subtle and small, that can have big impacts on fairness and inclusiveness. While we are all equal in our capacity to be biased, the impact of bias is experienced differently for different groups. Unconscious bias goes beyond the individual level and becomes embedded systemically.

There are tangible ways to reduce unconscious bias:

• Accept that you carry biases, that you are probably not aware of many of them, and that your good intentions are not enough to make them go away.

• Rewire your brain by regularly interacting with people who are different from you, both inside and outside of work. Do this repeatedly and over time.

• Put process checks in place that will prompt you and others to explicitly consider the possibility of bias during talent acquisition and talent management interactions and decisions.

• Develop peer coaching and feedback relationships that will enable you to get feedback from people who are different from you.

• Examine talent acquisition and talent management processes, and redesign them to minimize the potential impact of bias. For example, require the input of a diverse group of colleagues when assessing employees' performance and potential.

Insider–Outsider Dynamics

Insider–outsider dynamics are born at the group level, not at the individual level. We are not talking about individuals excluding other individuals. We are talking about inclusion or exclusion based on group identity.

As we describe the core insider–outsider dynamics, think of your own collection of insider and outsider group memberships:

• **Level of Awareness:** When we are in an outsider group, we are much more likely to be aware of the difference. Barriers often emerge that are based on group membership. Ask an LGBT (lesbian, gay, bisexual or transgender) person who works for a company, "What is it like to be LGBT in this company?" and you will likely have a rich conversation about managing personal identity at work, deciding what to tell coworkers about your life outside of work, and balancing openness against potential risks. Ask a heterosexual person, "What is it like to be heterosexual in this company?" and you will probably get a blank stare because it is the norm. Our different levels of awareness have huge implications for forging a path toward greater inclusion.

• **Different Pattern of Experience:** Being an insider or outsider produces a fundamentally different pattern of experience. Insider group membership generally creates a positive pattern of experience. For example, insiders are generally seen as the norm, given the benefit of the doubt, and assumed to deserve the position of leadership they have attained. But "good" and "bad" can happen to us based on our group membership, not our individuality. We are talking about patterns. Think about a woman executive. It is possible that on her walk into work, she gets whistled at. Standing near a desk in the reception area, she is assumed to be a receptionist. When calling on a client, she is assumed to be subordinate to the male staff member accompanying her to the meeting. These patterns fundamentally shape our experiences and our perceptions.

• **Willingness to Engage:** Insiders can find it hard to talk about the impact of something they are not even aware of! For outsiders, there is a reluctance to acknowledge and focus on barriers they feel they have little control over. All too often, the conversation is not explored because of reluctance on both sides.

• **Setting Norms Versus Adapting to Norms:** Being in an outsider group generally means having to understand and adjust to the insider group's way of thinking and doing. Obviously, there are many outsider group members who successfully adapt and assimilate. What is the cost of depending upon exceptional individuals to adapt and change much of who they are in order to succeed? Are the benefits of diversity in innovation realized when individuals feel like they need to conform to the status quo?

The fundamental challenge is that outsider groups have more information about the dynamics and less power to change them. Insiders have less information and more power. This creates an obvious barrier to change. If there is no "burning platform" for insiders, then why would they do anything? How do we break this cycle and move ahead?

It is critical to engage both outsiders and insiders when the goal is creating sustainable inclusion. We strongly recommend that inclusion change efforts include insider group members in visible leadership positions. This is a strong symbol that tells insiders they shouldn't write off the inclusion effort. In this insider-involved scenario, a business case can emerge as a burning platform from which to launch real change.

Insider group members must learn about the difference and need to know about the business impact of exclusion. They are not being indicted as bad people. Exclusion or bias is often unintentional, and inclusion needs to be intentional. Outsider groups will feel more empowered; insider groups will be more aware and engaged. This is what will begin to shift the dynamics.

Dimensions of Difference

To successfully foster diversity and inclusion, a leader must embrace this paradox: We are both individuals and members of any number of identity groups, and both matter always.

Differences can be visible or invisible. When the difference is immediately visible, such as race, gender or age, unconscious biases lead to unintended assumptions and behavior. Invisible differences create a dilemma: Should I share my identity or should I keep it hidden? These differences may include veteran status, disability, sexual orientation and religion. Sharing an identity creates a risk that the individual will be seen through the lens of a stereotype.

Differences that are present at birth or are permanent are sometimes seen differently than identities that can or might change over time. Some differences, like age, will change as we move through life. Our ableness is something that is not stable, because it may change with age, accident or medical conditions. We have the opportunity to be empathetic when our group memberships change.

• **Ableness:** The main task for organizations is to reduce stereotypes and increase access. Many people living with disabilities report being seen as less intelligent or generally deficient. The bias, often unconscious and unintentional, assumes that a specific disability affects cognitive function in a more general way.

• **Culture:** We tend to judge a cultural difference through our own lens, and assign a positive or negative intention to a behavior that seems completely natural to another person. Power exacerbates cultural difference. The organization has to be able to ameliorate the dominance of one culture over others.

• **Generational Difference:** Generations approach work and authority in very different ways. This creates substantial misunderstandings and judgments across generational groups. Organizations able to create maximum flexibility in their definition of career development and keep finding ways to engage each generation will be the most successful.

• **Gender Difference:** Very often, gender dynamics in the workplace are viewed as primarily about work–life flexibility and balance, because of women's leadership role in the home and with children. The glass ceiling is often attributed to women voluntarily taking a career off-ramp to have and raise children. The data, however, says something else. The top reasons are more often related to the corporate climate and to the difficulty of being taken seriously. Men also need, and are affected by, the ability to balance their work and personal lives. A continued focus on gender is critical.

• **Race:** While overt racist behavior is less common than it once was, unconscious bias based on race is prevalent. The biggest challenge in managing the issue of race is reducing unconscious bias, both individually and systemically. As the younger population becomes more diverse, the U.S. workforce is experiencing a dramatic shift in demographics. Corporations that embrace the change proactively will find themselves ahead of their competition.

• **Sexual Orientation:** There is value in sharing basic information about ourselves at work. It is how we build relationships, develop trust, and get to know people. In today's organizations, teamwork and relationship building are critical to the ability to innovate and be flexible. If LGB people feel it is risky to share basic information in the same way heterosexuals do, both they and the organizations suffer.

Critical Leadership Competencies

Our experience with many leaders over the years suggests four areas of competency that must be mastered in order to create sustainable inclusion:

• **Individual Awareness and Self-Management:** You need to challenge not only your own conventional wisdom but that of the people most like you. When an insider group coalesces around a particular viewpoint, it is a very powerful thing and will quickly shut down other perspectives. Think about the people you turn to in critical moments and who you know and trust most on your staff and among your colleagues. How diverse is this group?

• **Embrace the Paradox of Individuality and Group Identity:** It is absolutely essential that leaders understand that insider or outsider group membership is sometimes a primary factor in an individual's ability to be successful. Notice patterns by group identity. Consider group identity when planning staff development. Develop relationships with all of your staff. Understanding group identity is what allows you to treat your staff as full individuals.

• **Envision and Frame Positive Change:** Diversity in a nation, society, culture or organization is a source of strength and potential. If you as a leader can express a clear and compelling future vision, you will greatly increase the chance that others will get on board to move toward the desired future state. Create a compelling business case. Speak to the impact of inclusion. Create a positive vision of inclusion.

• **Foster True Meritocracy:** Look at the top two or three levels of your company. Are those positions dominated by one or two social identity groups? Creating true meritocracy requires a systemic approach achieved by looking at what your staff are rewarded for and looking at your key talent-related processes and changing them so they are better able to support the top performance of diverse groups. Acknowledge meritocracy as the goal. Take a critical look at your culture through a diversity and inclusion lens. Examine your talent acquisition and talent management systems. D&I development can and should be integrated with every leadership competency. A more robust investment in leadership development provides a fuller payout.

Change Strategies for Creating Inclusion

Inclusion is a long-term change process that must be deeply and directly connected to the business. The strategy should be based in a solid business case directly connected to the growth and health of the company. Multiple levels of systems should be leveraged. Senior executives need to be involved and engaged. Both insider and outsider groups need to be involved.

A sustainable long-term inclusion initiative will move through four phases:

• **Phase 1: Research and Needs Identification:** The primary focus of this phase is building a solid foundation for the initiative. The ability to work effectively and inclusively across all kinds of difference is now central to profitability in the short and long term. That said, each organization needs to develop its own rationale in its own language and in the context that is unique to that organization. The tools for this phase include employee engagement surveys, HR data, focus groups and interviews, and customer and marketplace data.

• **Phase 2: Strategy Creation:** If inclusion is a serious goal, then there must be a strategy to pursue. All good strategies require compelling data, a solid business rationale connected to profitability and a realistic implementation plan. The proper use of the business case is to develop a clear focus and direction for an inclusion change effort. It is at the core of strategy creation. The primary tool used at Phase 2 is a diversity council, a temporary team with the power to create a strategy and possibly oversee its implementation.

• **Phase 3: Implementation and Integration:** Phase 3 is about directly involving the entire organization with the inclusion initiative in some significant way. There needs to be clear and explicit connection to a larger strategy. Phase 3 is about the broader kind of buy-in from frontline to mid-level management. There are many tools to be employed in this phase: awareness and skills training, leadership development, employee affinity groups, organizational culture change and communication. Phase 3 is also about integration, to integrate a D&I mindset or "lens" into the day-to-day business.

• **Phase 4: Measurement and Recalibration:** Phase 4 involves assessing the impact against the strategy. Activities that bring about the most desired impact should be amplified, and those that have little or no impact should be changed or discarded.

An inclusion initiative is like any large organizational change process. It needs accountability and leadership. Leaders will need to be prepared to manage reactions to the inclusion work. Outsider groups will be skeptical that the change is real. Insider groups will see the change as creating a nonlevel playing field in the other direction.

Remember, resistance to change is a good thing! It often means the change is real; otherwise, there would be no need for resistance. Leaders' behavior in the face of resistance will predict the success of the initiative. Like everything else you do as leaders, successful change always comes down to commitment, authenticity, engagement and persistence.

RECOMMENDED READING LIST

If you liked *The Inclusion Dividend*, you'll also like:

1. ***The Inclusion Breakthrough*** **by Frederick A. Miller, Judith H. Katz.** The authors explain how to make diversity a central and profitable part of an organization's strategy for long-term success.
2. ***Winning with Transglobal Leadership*** **by Nazneen Razi, Ph.D., Peter Barge, Robert A. Cooke, Ph.D., Linda D. Sharkey, Ph.D.** Learn an easily implemented process for assessing your organization's global capability and developing the leaders who will drive success.
3. ***The 2020 Workplace*** **by Jeanne C. Meister, Karie Willyerd.** Meister and Willyerd present a functional guide to help you and your organization create tomorrow's workplace of choice.

SESSION TWO: FINDING AND KEEPING TALENT

INTRODUCTION

This webinar gets to the "very essence" of the work of the mining HR professionals – the hiring process. These seasoned professionals come with a toolkit of human resources practices, policies and documentation that pertain specifically to the mining industry and indeed, their individual organizations. The needs assessment of the group identified that they are looking for really practical learning that provides a blueprint for change so it will serve them well to use their own materials as a basis for new learning.

Due to the short time you will have in a webinar, we have somewhat "flipped" the learning classroom and have asked the group to read some resource materials - as detailed in their booklets - read them and consider the questions posed prior to the session. They were also asked to send you ideas on what they consider important for this session so that you can do some "tailoring to the groups needs" of the material to provide the best learning experience for the time together in the webinar.

The participants' booklets have detailed information on every aspect of recruiting and retaining skilled immigrants using inclusive practices so that they will have the reference materials to use back in their workplaces.

The time together on the webinar should draw from the collective wisdom, experiences, and ideas of the group. Your job is to lead the conversation, ensure that all parties have the opportunity to share, provide clarification and additional resources as needed by the group.

Take care in continuing the line of work developed to this point. HR professionals have worked together on the scholarly work of inclusion and diversity in mining. They have "walked their organizations" to discern key successes and opportunities for growth. They have begun, during the pre-session assignment, and will now continue, during this webinar, to assess their own policies and practices for finding and keeping talent within their HR practices and have and will continue to determine key elements to be enhanced with a cultural competence lens.

Learning Outcomes

Participants will learn to:

- Explore effective recruitment and selection practices for hiring skilled immigrant talent for the mining sector.
- Examine culturally inclusive onboarding and orientation techniques for ensuring success of new hires in the mining industry

Session Two Overview

Activity 1: Welcome, Check In and Success Stories (10 minutes)

Activity 2: Recruiting (20 minutes)

Activity 3: Hiring - Unconscious Bias (20 minutes)

Activity 4: Interviews (20 minutes)

Activity 5: Onboarding (20 minutes)

Activity 6: Inclusion Practices (10 minutes)

Activity 7: Mapping Learning and Commitments (post session)

ACTIVITY: WELCOME, CHECK IN AND SUCCESS STORIES

Activity 1 of 7: Check in – Follow up from Session One

20 minutes

Briefly provide an overview of the session. Remind the group of the respectful learning environment they agreed to at the last session. You may have a PowerPoint slide highlighting the norms they set.

Participants were asked to share highlights of what they have actioned in the work since Session 1. You will have captured those and shared with the group. Now, you can ask for any other successes or challenges they may wish to share before diving into the session.

Revisiting what they have done, will validate the progress they have made in their inclusion breakthrough work.

ACTIVITY: RECRUITING

Activity 2 of 7: Recruiting - Exemplary Practices in Inclusion

20 minutes

You can quickly introduce the MiHR resource, *Strengthening Mining's Talent Alloy - Exemplary Practices in Inclusion*, part of their research papers on Strengthening Mining's Talent Alloy.

Have the group refer to the notes they took in their pre-session assignment #2. Ask for volunteers to share –

1. What stood out for them in the case they read?
2. What ideas are of particular interest to them and their company for finding and keeping talent?
3. What recruitment practices they would like to explore that came from the cases they read in their pre-session reading?

Provide a few minutes for the group to share ideas, things they have done in recruiting talented immigrants and with whom they have partnered.

Living the Dream

Introduce the short recruiting video (6 minutes) from the "*Living the Dream"* series made in British Columbia. Advise the group that there are a number of good ones in the series but you will just view the one - featuring Denise Nunes, Senior Engineer and Lead Metallurgist at JDS Energy and Mining, from Latin America.

Lead a short discussion on what similar efforts the group is familiar with. Questions in booklets.

Advertising for Mining Positions

The next part of this activity - Advertising for Mining Positions, gets the group to look at alternate mediums for advertising jobs to potential immigrant groups. Allow time for the group to look through the list provided and then lead the discussion using the questions printed in the booklets.

ACTIVITY: HIRING - UNCONSCIOUS BIAS

Activity 3 of 7: Hiring - Unconscious Bias

20 minutes

Tell the group that you are going to revisit the concept of unconscious bias - the “blind spots” we all have related to judgments we make based on appearance, names, etc. These biases do not indicate hostility towards certain groups; they reflect how the individual has been socialized. Source: http://wwest.sites.olt.ubc.ca/files/2014/03/Unconscious-Bias-Skin2.pdf

Bias gets embedded into all sorts of organizational systems and processes, particularly in the hiring process. Our processes may need redesigning with input from a diverse group of colleagues and cultures to minimize the potential impact of bias.

Bias is often unintentional and inclusion needs to be intentional.

Ask the group to think back to the Inclusive Workplace Index (they were asked to bring them to this session) - and the assessment they did of their company practices in recruiting,

Ask them the following questions:

How are you doing with respect to bias?

In what ways, have you and your company mitigated against bias in your hiring processes?

Screening Applications

Ask the group what culturally competent tools they are using to screen applicants for positions in their companies.

You can then invite them to look at the list provided from the Hiring and Retaining Skilled Immigrants: A Cultural Competence Toolkit, Canada and British Columbia governments and add any other ideas from discussions to date or the readings from Session 1.

ACTIVITY: INTERVIEWS

Activity 4 of 7: Reviewing Current Interview Practice

20 minutes

Ask the group to think about the interview process at their organizations and answer the questions provided relating to culturally inclusive interview practice.

Lead a discussion using the discussion questions.

ACTIVITY: ONBOARDING

Activity 5 of 7: Onboarding - Exemplary Practices in Inclusion

20 minutes

In the participant booklet, the ask for this activity is to read the Golder Associate case from the *Strengthening Mining's Talent Alloy - Exemplary Practices in Inclusion,* MiHR

Due to the short time of a webinar, you may need to introduce the Golder case and present the highlights to the group. Golder Associates program for Helping New Hires to Succeed through a Holistic, Person-Centered Approach and Focus on Integration Case Study, pages 20 - 22, in

Then lead a discussion using the questions provided in the booklets:

- What stands out for you?
- What might you take from this story to your own organization?

You can then have the group look at the additional tips outlined in their booklets and have them consider:

What elements of Onboarding in your organization seemed to need revisiting, overhauling, or reinventing? Why?

ACTIVITY: INCLUSION PRACTICES

Activity 6 of 7: Returning to the Inclusion Workplace Index

20 minutes

Have the participants refer to the IWI they completed during the first session, and think about some of the practices outlined in this session, have them consider what inclusionary practice they might now introduce into their work, to increase their "score" on the IWI, with respect to:

- Recruiting – advertising mining jobs

- Screening applications

- Interviewing

- Onboarding

ACTIVITY: MAPPING LEARNING AND COMMITMENTS

Activity 7 of 7: Mapping My Learning and Commitments (Post Session)

10 minutes

Ask the participants to complete this activity as soon as they can after the webinar, and before the hustle and bustle of their everyday lives. It takes them out of the "learning zone". Remind them that when a goal is staged in writing the more likely it is to be implemented.

Advise the group that additional resources for Onboarding have been provided at the end of this activity that they may wish to use for future planning sessions with their colleagues.

You may suggest that they partner with someone from the program to "buddy" with for checking in on progress, sharing ideas, and championing each other's successes.

Introduce Session 3 and any pre-session work.

Note: if at some point there are resources to expand this session, a panel representing skilled immigrants working in the mining industry across the province could be set up to speak to their experiences throughout the hiring and onboarding process. This could be set up virtually, so that each panel member could share his/her story and a question and answer period could follow.

(Hearing from the "customer" of one's services is one of the best opportunities for learning and feedback.)

REFERENCES

In order of presentation

BC Mining Human Resources Task Force. *Living the Dream* video series

Canada and British Columbia governments*, Hiring and Retaining Skilled Immigrants: A Cultural Competence Toolkit*

https://cphrbc.ca/wp-content/uploads/2012/08/itiguide.pdf

Explore More British Columbia. Skilled *Immigrant Recruitment & Retention Phase One & Two*

Mark Kaplan & Mason Donovan, *The Inclusion Dividend: Why Investing in Diversity & Inclusion Pays Off.*

MiHR, *"Strengthening Mining's Talent Alloy - Exemplary Practices in Inclusion*

SESSION TWO READINGS AND RESOURCES

REQUIRED READINGS

Reading 1: *The Inclusion Dividend* by Mark Kaplan and Mason Donovan published by Soundview Executive Book Summaries

OPTIONAL READINGS

- Canada and British Columbia governments, Hiring and Retaining Skilled Immigrants: A Cultural Competence Toolkit,

  https://cphrbc.ca/wp-content/uploads/2012/08/itiguide.pdf

- Explore More British Columbia. *Skilled Immigrant Recruitment& Retention Phase One & Two*

- MiHR, "Strengthening Mining's Talent Alloy - Exemplary Practices in Inclusion

  https://www.mihr.ca/pdf/publications/Strengthening-Mining%E2%80%99s-Talent-Alloy-%E2%80%95-Exemplary-Practices-in-Inclusion.pdf

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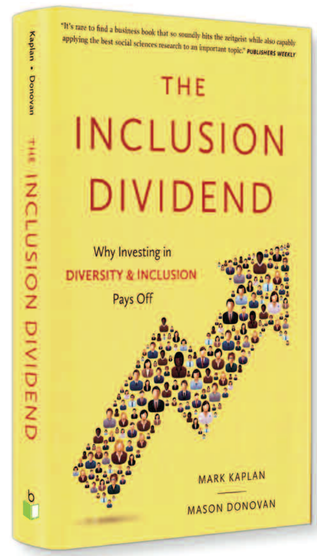

The Inclusion Dividend

Why Investing in Diversity & Inclusion Pays Off

by Mark Kaplan
and Mason Donovan

THE SUMMARY IN BRIEF

With the increasingly diverse, global, interconnected business world, diversity and inclusion (D&I) has become a core leadership competency and a central factor in the success of business. Diversity and inclusion is no longer simply "the right thing to do"; rather, it is a key component to a successful business today.

Working effectively across differences such as gender, culture, generation, race and sexual orientation not only leads to a more productive, innovative corporate culture but also to better engagement with customers and clients. *The Inclusion Dividend* provides a framework to tap the bottom-line impact that results from an inclusive culture. Most leaders have the intent to be inclusive; however, translating that intent into a truly inclusive outcome with employees, customers and other stakeholders requires a focused change effort.

Drawing from the latest research and numerous case studies, Mark Kaplan and Mason Donovan explain the challenge of incorporating inclusion into business and leadership and provide straightforward advice on how to achieve the kind of meritocracy that will result in a tangible dividend and move companies ahead of the competition.

IN THIS SUMMARY, YOU WILL LEARN:

- Creating a truly inclusive and diverse environment goes far beyond "doing what's right" and directly impacts your bottom line.
- The insider–outsider dynamics and group identities really do matter to your business, both internally with employees and externally with customers, clients and stakeholders.
- How to get insider groups with power to see things from the point of view of outsider groups without power so that real change can occur.

CONTENTS

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THE COMPLETE SUMMARY: **THE INCLUSION DIVIDEND**

by Mark Kaplan and Mason Donovan

The authors: Mark Kaplan and Mason Donovan are managing partners of The Dagoba Group, a New England based consultancy specializing in leadership development, diversity and inclusion, and organizational change. Kaplan is the former CEO of MGK Consulting and has been advising organizations in these areas since 1986. He has been published in leading diversity publications and is a guest speaker at global D&L focused conferences. Donovan has consulted with Fortune 500 companies for over a decade on talent acquisition, retention and development. He has also worked with companies to create sustainable client relationships. Donovan is the author of *DRIVEN: A Manager's Field Guide to Sales Team Optimization.*

The Inclusion Dividend: Why Investing in Diversity & Inclusion Pays Off by Mark Kaplan and Mason Donovan. Copyright © 2013 by Mark Kaplan and Mason Donovan. Summarized by permission of the publisher, Bibliomotion, Brookline, MA. 256 pages, $34.95, ISBN 978-1-937134-40-2. To purchase this book, go to www.amazon.com or www.bn.com.

For additional information on the authors, go to www.summary.com.

Introduction

The Inclusion Dividend was written for business leaders trying to better understand how their personal and corporate investment in inclusion will provide a return.

Over two decades of working with corporations around the world, we have found that a strategic investment in creating a diverse and inclusive corporate culture always pays off. It pays off at the individual level with happier, more fulfilled employees, at the group/team level with increased productivity and innovation, and at the systemic level with additional bottom-line shareholder value.

Diversity? Inclusion? What Do We Mean?

Ask any board of a Fortune 1000 if their company is built on a meritocratic system, and the answer will be a resounding, "Yes." Employees get promoted based upon their performance. If this is true, why do we need to develop our leaders on creating an inclusive environment that engages a diverse workforce? After all, our corporate culture is based on meritocracy, right? Those who put in the effort will be rewarded regardless of their differences.

But ask yourself why we would need to enact laws that force employers to pay women equally for equal work. In a true meritocracy, your gender would not dictate pay. The story gets replayed with many other dimensions of difference: ethnicity, education, sexual orientation, race, ableness, age and so on.

Although we may aspire to have a meritocratic system, the cold hard truth is that it does not yet exist.

In an interview series on the evolution of diversity and inclusion, we asked chief diversity officers what percentage of corporate development they believe is being driven today by legal compliance. Not one of them gave an answer above 30 percent. So if the push for diversity is not driven by a desire to stay out of court, what is it?

This question brings us back to why we believe so strongly in a merit-based culture. Don't we want the best and brightest to be steering our ship? This line of thought argues that when we put the most productive workers in our most critical positions, we maximize corporate value and shareholder return.

However, long-standing barriers prevent meritocracy from becoming a reality. Herein lies the need to invest in opening up channels for a more meritocratic system. The return on this investment can be considerable.

At The Dagoba Group, we define inclusion as a systemic aspiration: the goal is to include everyone, to create a climate that is inclusive, and to create talent acquisition and management processes that are inclusive and fair. In our view, all of this is done not as an add-on or nice thing to have but as something essential for maximizing the ability of an organization to meet its mission. In today's global business environment, we see no other way. Diversity is already here at certain levels. The challenge is to bring it to all levels. Meritocracy requires inclusion to work and diversity for fuel.

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The Business Case for Inclusion

Companies are in business to make a profit. Investments need to accomplish at least one of two things: reduce expenses or increase revenues. The business case is the story behind reaching one or both of these goals. Every diversity and inclusion effort needs to be directly connected to the organization's purpose.

The business case for inclusion has three key areas: talent management, talent acquisition and marketplace engagement. These areas stem from two vantage points: internal dynamics and external relationships. Internally, the focus is on attracting, retaining and developing staff. More specifically, the emphasis is on these factors:

• **Talent Acquisition:** Are we accessing a broad employment pool, and does our brand attract a diverse set of potential employees?

• **Talent Development:** Are we creating conditions and opportunities that tap the talent of a diverse workforce?

• **Employee Engagement:** Do we inclusively engage our diverse workforce? Do our employees feel good about the company and able to bring their best contributions? Are we retaining high-potential employees?

• **Workplace Climate:** Does the day-to-day environment promote inclusion and success? Does our culture promote teamwork and innovation?

Attracting, retaining and developing the best and brightest talent are pivotal to a healthy, profit-driven organization. When work environments are more welcoming and inclusive, companies enjoy greater retention rates of critical revenue-positive employees. A working D&I strategy not only helps talent acquisition and employee retention; it also creates an environment where employees are more productive.

Donald Fan, senior Director of Diversity at Walmart, notes, "While business lore tends to link innovation with the creative drive that is exclusive to the top and brightest talent, true innovation thrives in an inclusive culture that values diverse ideas, leverages unique perspectives, and invites everyone to achieve collaborative breakthroughs across the entire organization."

The External Business Case

Many companies have decided that they need to change the way they communicate with their current and future target audience. The simple approach is to use "mirroring." This is a numbers game that involves matching the percentage of minorities in the employee population to those in the customer base. Mirroring can create more problems than it solves. It can be difficult to place such a recruitment burden on your hiring team if the company has no real effort to create an environment that attracts a diverse group of candidates.

At The Dagoba Group, we have helped clients leverage their internal inclusion efforts to strengthen their client relationships in the cycle we call RADIX. Each letter of the model RADIX refers to a stage of the sales process:

• **Reach:** This is the pre-acquisition phase of soliciting potential customers, where there are introductory conversations. Having fully diverse representation on the team is important.

• **Acquire:** This stage is key to setting foundational expectations. How we are developed to create an inclusive team internally and how we are managed inclusively will affect our approach with external clients. Is there mutual respect on the team for one another's roles and ideas? It is not uncommon in larger deals or with requests for proposals (RFP) for the client to ask about your commitment to diversity and inclusion. Some have even begun to track and score their service providers' commitment to diversity.

• **Develop:** After the client is acquired, your efforts are focused on fulfilling the preacquisition promises and expanding your service footprint. There is a need to broaden relationships with many individuals at a client organization. Account executives who have not been developed to deal with diverse groups of decision makers will find it difficult to go beyond the initial decision maker.

• **Inspire:** There comes a time when each party has stopped being intrigued by the other. The relationship is either sink or swim at this level. It is not good enough to be simply good enough: You need to wow your clients and exceed expectations. At the Inspire stage, even the strongest bonds are tested.

• **eXit:** Unfortunately, due to reasons that may or may not be controllable, a client may move to exit the relationship — this is where managing the separation can help in future reacquisition. Maintaining relationships and keeping an open approach may pay off in future recommendations. It may also secure future business as these contacts move into decision-making positions. The business case in the exit stage is measured in "win back" clients and referrals.

Understanding Key D&I Concepts

Conversations about unconscious bias and insider–outsider dynamics can easily be lost in the noise of the daily office grind. Even for a leader dedicated to inclusion, putting together all of the pieces needed to fully under-

stand how D&I impacts daily life can be daunting. Visual maps can help highlight areas where key inclusion concepts play a role. The key concepts include:

• **Intent and Impact:** To move the company forward, leaders' intentions have to create the desired impact. A mismanaged event may lead to an unintended impact. This dynamic is exacerbated by diversity. Leaders often find it more difficult to give feedback to people who are different from themselves. This can be due simply to a lack of knowledge about what the other person needs and responds to. The employee not getting the feedback loses the opportunity to improve; the manager loses some level of full engagement from an employee, and ultimately, the organization loses productivity. A leader needs to be cognizant of the resulting impact of his or her behavior and words.

• **Unconscious Bias:** Bias has a negative connotation, so we tend to believe we are not biased. The first step to mitigating unintended bias in our decisions is becoming aware of our individual biases. Think of all the subtle behaviors that result from unconscious, unintentional bias. These behaviors often involve tones of voice, methods of engagement or vernacular that changes, typically along dimensions of difference.

• **Insider–Outsider Dynamics:** Every team or organization has insider and outsider groups based on age, ethnicity, gender, sexual orientation, or on education level, class or geography. The insider group is the group with more power; the outsider group is subordinated. Outsider groups must work much harder to stay level with the insider groups.

Levels of Systems Framework

The Levels of Systems Framework offers a way to understand the broader process of creating sustainable inclusion:

• **Individual Level:** At the individual level we are all unique, though there may be similarities across ethnicities, cultures, gender and so on. Individual histories and experiences influenced by these aspects of difference create very different people.

• **Group and Team Level:** Being from a particular socioeconomic background will expose one to certain influences and opportunities. Group memberships frequently have more impact than our individuality on our perspectives, experiences and behavior than does our individuality. How individuals vis a vis their group identities are able to flourish on teams will have an important impact on the organization. Insider-outsider dynamics, if not addressed, will severely interfere with the goal of creating an inclusive organization.

• **Organizational Level:** For one reason or another, a company has determined to recruit from targeted schools, base promotions on certain kinds of characteristics, and design a culture to reflect certain attributes. Those who decide which schools to target are basing their decision upon their own preference or perceptions. Our individual biases about our group memberships get embedded systemically, and then feedback to all of the groups and individuals in the company creates a self-fulfilling organizational culture, reflecting and reinforcing the biases and preferences of the most powerful people in the company.

• **Marketplace Level:** The company's success in seeing, understanding and engaging its current and future customer base is critical to its success as an enterprise. A company's brand will have a D&I component whether the company is aware of it or not. In a future that looks more diverse, not less, the marketplace level of system is even more critical.

Framing a Sustainable Inclusion Initiative

The Levels of Systems Framework is primarily about power. Power moves from the individual to the marketplace level. This framework will help you think strategically about how to construct your D&I strategy. D&I is continuously evolving as the organization grows. The most powerful (and thus sustainable) change is one in which all four levels are being leveraged in an aligned, consistent way.

The Individual, Interpersonal Level of Change

Too often, D&I work is viewed as primarily about shifting attitudes. This assumption takes many organizations down the road of training and development as the primary D&I strategy. Quite often, individuals emerge from this training with important knowledge but with no way to apply that knowledge. This can end up supporting the notion that diversity and inclusion are about "the right thing to do" but not substantially related to the business.

Training doesn't work unless it is connected to a broader change initiative that goes beyond the individual level. There are four major limits to focusing primarily on the individual and interpersonal levels: new awareness and behavior are not supported by others; a trainee's direct supervisor doesn't understand or support the intent of the training program; organizational reward systems do not support new behaviors; and talent-related processes do not support change. To fully engage a

diverse workforce and create inclusion and meritocracy requires a more systemic change approach as much of what matters to organizations goes well beyond interpersonal interactions.

The Group and Team Level of Change

When we describe the "group level," we are talking about group membership and identity, the social identity groups to which we belong or are identified. We are not talking about work groups or teams. The work at the group level is threefold:

- To identify the group memberships that have an impact on the experiences of people in your organization.
- To uncover patterns related to those group memberships that are problematic, reducing engagement and productivity.
- To confront the insider–outsider dynamics that are creating or maintaining those patterns.

The day-to-day work environment is most heavily impacted by the patterns and insider–outsider dynamics at the group level.

The Organizational Level of Change

We think of the organizational level as the place where dynamics, norms and practices are set into something just short of cement. This level is harder to change than the others, although certainly not impossible. At the organizational level, the work of inclusion is about changing policies, processes, formal and informal norms, and the underlying assumptions that drive behavior in the organization. Thus, to some extent, it is about changing the culture of an organization in that the culture often creates the informal norms and unwritten rules that become embedded. Here are some examples that describe these factors in more detail:

• **Policies and Practices:** The work of inclusion at the organizational level involves uncovering and either dismantling or reducing the impact of policies that have unintended impacts. Simply requiring a diverse interviewing team creates a more inclusive approach to the recruitment process. Quite often, company events are rooted in company history and tradition. As organizations have become more diverse, these events are proving problematic. Most organizations have a host of policies related to employees' family lives, and they have evolved quite a bit to be more inclusive of all employees. Some organizations have broadened their definition of "family" so that policies are more inclusive of many types of families. Progressive policies create true inclusion and go a long way toward engendering employee loyalty and engagement.

• **Formal and Informal Behavioral Norms:** Sometimes little norms have big impacts. An organization was examining its culture and looking for ways to create more inclusive norms. In one large division, there was a norm for scheduling meetings early in the morning, as early as 7 a.m. It became apparent that this practice of early meetings advantaged some groups and disadvantaged others: women, commuters, new parents and single parents.

• **Images of Leadership:** Perceptions of gravitas might say more about the viewer of the behavior and/or the culture of the organization than about the individual being observed. Images of effective leadership must be discussed, made explicit, and examined for relevance and bias, or they will become unconsciously embedded into organizational culture.

• **Culture:** Culture includes all of the little and not so little things that influence people to behave the way they do in an organization. Sometimes it is explicit, sometimes implicit. New norms need to be created that work for a more diverse group of employees.

The Marketplace Level of Change

The point at which the organization engages its stakeholders and client or consumer marketplace is a visible and critical boundary. It is directly related to the bottom line. At this level of system, there are four main areas of focus:

1. The organization's brand in the marketplace.
2. The extent to which an organization's staff reflects its customer base.
3. The ability to leverage D&I to create product and service breakthroughs.
4. The skill of customer-facing staff in engaging customers in an inclusive manner.

Power increases at the marketplace level because an organization's activities are meaningless if they aren't connecting to clients and customers effectively. An organization that connects its inclusion efforts to the marketplace will differentiate itself from its peers.

Unconscious and Unintentional Bias

The diversity and inclusion conversation has always been a challenging one. One of the biggest challenges in creating real and sustainable inclusion has been overcoming the guilt and defensiveness that the conversation provokes, particularly among members of insider groups. Essentially, most of us don't like to acknowledge our own biases and shortcomings.

Bias gets embedded into all sorts of organizational systems and processes. It also affects how an organization views and engages in its marketplace.

Unconscious bias is pervasive and universal. It translates into behaviors, often subtle and small, that can have big impacts on fairness and inclusiveness. While we are all equal in our capacity to be biased, the impact of bias is experienced differently for different groups. Unconscious bias goes beyond the individual level and becomes embedded systemically.

There are tangible ways to reduce unconscious bias:

• Accept that you carry biases, that you are probably not aware of many of them, and that your good intentions are not enough to make them go away.

• Rewire your brain by regularly interacting with people who are different from you, both inside and outside of work. Do this repeatedly and over time.

• Put process checks in place that will prompt you and others to explicitly consider the possibility of bias during talent acquisition and talent management interactions and decisions.

• Develop peer coaching and feedback relationships that will enable you to get feedback from people who are different from you.

• Examine talent acquisition and talent management processes, and redesign them to minimize the potential impact of bias. For example, require the input of a diverse group of colleagues when assessing employees' performance and potential.

Insider–Outsider Dynamics

Insider–outsider dynamics are born at the group level, not at the individual level. We are not talking about individuals excluding other individuals. We are talking about inclusion or exclusion based on group identity.

As we describe the core insider–outsider dynamics, think of your own collection of insider and outsider group memberships:

• **Level of Awareness:** When we are in an outsider group, we are much more likely to be aware of the difference. Barriers often emerge that are based on group membership. Ask an LGBT (lesbian, gay, bisexual or transgender) person who works for a company, "What is it like to be LGBT in this company?" and you will likely have a rich conversation about managing personal identity at work, deciding what to tell coworkers about your life outside of work, and balancing openness against potential risks. Ask a heterosexual person, "What is it like to be heterosexual in this company?" and you will probably get a blank stare because it is the norm. Our different levels of awareness have huge implications for forging a path toward greater inclusion.

• **Different Pattern of Experience:** Being an insider or outsider produces a fundamentally different pattern of experience. Insider group membership generally creates a positive pattern of experience. For example, insiders are generally seen as the norm, given the benefit of the doubt, and assumed to deserve the position of leadership they have attained. But "good" and "bad" can happen to us based on our group membership, not our individuality. We are talking about patterns. Think about a woman executive. It is possible that on her walk into work, she gets whistled at. Standing near a desk in the reception area, she is assumed to be a receptionist. When calling on a client, she is assumed to be subordinate to the male staff member accompanying her to the meeting. These patterns fundamentally shape our experiences and our perceptions.

• **Willingness to Engage:** Insiders can find it hard to talk about the impact of something they are not even aware of! For outsiders, there is a reluctance to acknowledge and focus on barriers they feel they have little control over. All too often, the conversation is not explored because of reluctance on both sides.

• **Setting Norms Versus Adapting to Norms:** Being in an outsider group generally means having to understand and adjust to the insider group's way of thinking and doing. Obviously, there are many outsider group members who successfully adapt and assimilate. What is the cost of depending upon exceptional individuals to adapt and change much of who they are in order to succeed? Are the benefits of diversity in innovation realized when individuals feel like they need to conform to the status quo?

The fundamental challenge is that outsider groups have more information about the dynamics and less power to change them. Insiders have less information and more power. This creates an obvious barrier to change. If there is no "burning platform" for insiders, then why would they do anything? How do we break this cycle and move ahead?

It is critical to engage both outsiders and insiders when the goal is creating sustainable inclusion. We strongly recommend that inclusion change efforts include insider group members in visible leadership positions. This is a strong symbol that tells insiders they shouldn't write off the inclusion effort. In this insider-involved scenario, a business case can emerge as a burning platform from which to launch real change.

Insider group members must learn about the difference and need to know about the business impact of exclusion. They are not being indicted as bad people. Exclusion or bias is often unintentional, and inclusion needs to be intentional. Outsider groups will feel more empowered; insider groups will be more aware and engaged. This is what will begin to shift the dynamics.

Dimensions of Difference

To successfully foster diversity and inclusion, a leader must embrace this paradox: We are both individuals and members of any number of identity groups, and both matter always.

Differences can be visible or invisible. When the difference is immediately visible, such as race, gender or age, unconscious biases lead to unintended assumptions and behavior. Invisible differences create a dilemma: Should I share my identity or should I keep it hidden? These differences may include veteran status, disability, sexual orientation and religion. Sharing an identity creates a risk that the individual will be seen through the lens of a stereotype.

Differences that are present at birth or are permanent are sometimes seen differently than identities that can or might change over time. Some differences, like age, will change as we move through life. Our ableness is something that is not stable, because it may change with age, accident or medical conditions. We have the opportunity to be empathetic when our group memberships change.

• **Ableness:** The main task for organizations is to reduce stereotypes and increase access. Many people living with disabilities report being seen as less intelligent or generally deficient. The bias, often unconscious and unintentional, assumes that a specific disability affects cognitive function in a more general way.

• **Culture:** We tend to judge a cultural difference through our own lens, and assign a positive or negative intention to a behavior that seems completely natural to another person. Power exacerbates cultural difference. The organization has to be able to ameliorate the dominance of one culture over others.

• **Generational Difference:** Generations approach work and authority in very different ways. This creates substantial misunderstandings and judgments across generational groups. Organizations able to create maximum flexibility in their definition of career development and keep finding ways to engage each generation will be the most successful.

• **Gender Difference:** Very often, gender dynamics in the workplace are viewed as primarily about work–life flexibility and balance, because of women's leadership role in the home and with children. The glass ceiling is often attributed to women voluntarily taking a career off-ramp to have and raise children. The data, however, says something else. The top reasons are more often related to the corporate climate and to the difficulty of being taken seriously. Men also need, and are affected by, the ability to balance their work and personal lives. A continued focus on gender is critical.

• **Race:** While overt racist behavior is less common than it once was, unconscious bias based on race is prevalent. The biggest challenge in managing the issue of race is reducing unconscious bias, both individually and systemically. As the younger population becomes more diverse, the U.S. workforce is experiencing a dramatic shift in demographics. Corporations that embrace the change proactively will find themselves ahead of their competition.

• **Sexual Orientation:** There is value in sharing basic information about ourselves at work. It is how we build relationships, develop trust, and get to know people. In today's organizations, teamwork and relationship building are critical to the ability to innovate and be flexible. If LGB people feel it is risky to share basic information in the same way heterosexuals do, both they and the organizations suffer.

Critical Leadership Competencies

Our experience with many leaders over the years suggests four areas of competency that must be mastered in order to create sustainable inclusion:

• **Individual Awareness and Self-Management:** You need to challenge not only your own conventional wisdom but that of the people most like you. When an insider group coalesces around a particular viewpoint, it is a very powerful thing and will quickly shut down other perspectives. Think about the people you turn to in critical moments and who you know and trust most on your staff and among your colleagues. How diverse is this group?

• **Embrace the Paradox of Individuality and Group Identity:** It is absolutely essential that leaders understand that insider or outsider group membership is sometimes a primary factor in an individual's ability to be successful. Notice patterns by group identity. Consider group identity when planning staff development. Develop relationships with all of your staff. Understanding group identity is what allows you to treat your staff as full individuals.

• **Envision and Frame Positive Change:** Diversity in a nation, society, culture or organization is a source of strength and potential. If you as a leader can express a clear and compelling future vision, you will greatly increase the chance that others will get on board to move toward the desired future state. Create a compelling business case. Speak to the impact of inclusion. Create a positive vision of inclusion.

• **Foster True Meritocracy:** Look at the top two or three levels of your company. Are those positions dominated by one or two social identity groups? Creating true meritocracy requires a systemic approach achieved by looking at what your staff are rewarded for and looking at your key talent-related processes and changing them so they are better able to support the top performance of diverse groups. Acknowledge meritocracy as the goal. Take a critical look at your culture through a diversity and inclusion lens. Examine your talent acquisition and talent management systems. D&I development can and should be integrated with every leadership competency. A more robust investment in leadership development provides a fuller payout.

Change Strategies for Creating Inclusion

Inclusion is a long-term change process that must be deeply and directly connected to the business. The strategy should be based in a solid business case directly connected to the growth and health of the company. Multiple levels of systems should be leveraged. Senior executives need to be involved and engaged. Both insider and outsider groups need to be involved.

A sustainable long-term inclusion initiative will move through four phases:

• **Phase 1: Research and Needs Identification:** The primary focus of this phase is building a solid foundation for the initiative. The ability to work effectively and inclusively across all kinds of difference is now central to profitability in the short and long term. That said, each organization needs to develop its own rationale in its own language and in the context that is unique to that organization. The tools for this phase include employee engagement surveys, HR data, focus groups and interviews, and customer and marketplace data.

• **Phase 2: Strategy Creation:** If inclusion is a serious goal, then there must be a strategy to pursue. All good strategies require compelling data, a solid business rationale connected to profitability and a realistic implementation plan. The proper use of the business case is to develop a clear focus and direction for an inclusion change effort. It is at the core of strategy creation. The primary tool used at Phase 2 is a diversity council, a temporary team with the power to create a strategy and possibly oversee its implementation.

• **Phase 3: Implementation and Integration:** Phase 3 is about directly involving the entire organization with the inclusion initiative in some significant way. There needs to be clear and explicit connection to a larger strategy. Phase 3 is about the broader kind of buy-in from frontline to mid-level management. There are many tools to be employed in this phase: awareness and skills training, leadership development, employee affinity groups, organizational culture change and communication. Phase 3 is also about integration, to integrate a D&I mindset or "lens" into the day-to-day business.

• **Phase 4: Measurement and Recalibration:** Phase 4 involves assessing the impact against the strategy. Activities that bring about the most desired impact should be amplified, and those that have little or no impact should be changed or discarded.

An inclusion initiative is like any large organizational change process. It needs accountability and leadership. Leaders will need to be prepared to manage reactions to the inclusion work. Outsider groups will be skeptical that the change is real. Insider groups will see the change as creating a nonlevel playing field in the other direction.

Remember, resistance to change is a good thing! It often means the change is real; otherwise, there would be no need for resistance. Leaders' behavior in the face of resistance will predict the success of the initiative. Like everything else you do as leaders, successful change always comes down to commitment, authenticity, engagement and persistence.

SESSION THREE: COMMUNICATION & EMPLOYEE DEVELOPMENT

INTRODUCTION

This seminar continues HR professionals' inquiry into their role in Inclusion and Diversity in Mining. Your primary responsibility is to facilitate HR professionals in their discovery of the key roles communication and performance management play in the success, retention, and recognition of immigrant employees in the mining industry.

Honor the previous learning, work, and experience of HR professionals enrolled in this webinar by encouraging them to share their best practices. In fact, look for bright spots in what is already being done and leverage that success for continued learning and growth.

These are largely seasoned HR professionals who have a great deal of knowledge and skill in managing communication and supporting managers and supervisors in performance management strategies and techniques. Use that previous learning to focus attention on and investment in communication and performance management of immigrant employees.

Take care in continuing the line of work developed to this point. HR professionals have worked together on the scholarly work of inclusion and diversity in mining. They have "walked their organizations" to discern key successes and opportunities for growth. They have assessed their own "tool kits" for finding and keeping talent within their HR practices and determined key elements to be enhanced with a cultural competence lens. Now, their task is to integrate communication and performance management strategies and tools for inclusion and diversity in the mining industry.

Learning Outcomes

Participants will learn to:

- Describe the importance of developing cultural competence and cross-cultural communication skills in mining organizations with a focus on the role of the HR professional in serving employees, managers, and leaders.
- Design and implement performance development strategies using a series of key feedback questions and behaviors.
- Practice appreciation and recognition strategies that improve individual and team performance regardless of culture.

Session Three Overview

Activity 1: Welcome, Introduction, and Success Stories (10 minutes)

Activity 2: Communication Styles (10 minutes)

Activity 3: Giving and Receiving Feedback (30 minutes)

Activity 4: Follow-Up To Session Three: Webinar (30 minutes)

Pre-Session Readings

To provide a foundation for discussions in this webinar, we recommend the following readings. Participants will have the readings in their Participant Handbook and will see them as REQUIRED pre-readings for this webinar.

While Working *Global Smar*t by Ernest Gundling is written from a North American point of view, the insights are considerable. Encouraging readers to get beyond the author's first words will lead to a series of good insights and important applications for the outcomes and learning objectives of this webinar.

- *Working Global Smart*, Ernest Gundling published by Soundview Executive Book Summaries.
- G*iving and Taking Feedback,* Executive Edge Newsletter, Vol. 2, Issue 15.

Point out that you will be referencing both articles during the webinar and encourage participants to share their insight and understanding based on their reading, experience, and other resources that they would like to share during the webinar.

ACTIVITY: WELCOME, INTRODUCTION & SUCCESS STORIES

Activity 1 of 4: Welcome

Welcome participants.

Encourage participants to share what they have been working on, learning, finding as successes and challenges since the last session on Finding and Keeping Talent.

Use these questions will get the discussion going:

- What you have done?
- What has been the result?
- How have you been measuring progress, impact?
- What other successes might you share?
- What challenges have you faced?

ACTIVITY: COMMUNICATION STYLES

Activity 2 of 4: Communication Styles

The following resources will be helpful to facilitators as they prepare for the Communication section of this webinar:

"Strengthen Your Personal Communication Skills," Executive Edge Newsletter, Vol. 1, Issue 15.

Bob Matha and Macy Boehm, *Beyond the Babble: Leadership Communication That Drives Results,* (2008). Wiley and Sons.

Ernest Gundling, *Working Global Smart*, (2003). Davies-Black Publishing.

TRIEC: Session 3 – Handout: Typical Tasks in Preparation for the Performance Appraisal Meeting

TRIEC: Session 3 – Handout: Comparison of Egalitarian and Hierarchical Attitudes and Behaviours Regarding Titles, Protocol, Face and Privileges3

ACTIVITY: GIVING AND RECEIVING FEEDBACK

Activity 3 of 4: Feedback and Employee Development Best Practices from the Gallup Organization

Giving and Receiving Feedback

One of the biggest challenges we face at work is giving feedback. And, feedback is the most critical tool for overcoming communication barriers, managing work performance, expressing one's needs and expectations, and appreciating effort and outcomes. Use the following notes (also included in the participant's handbook) to engage HR professionals in a discussion of feedback.

The Engaged Feedback Checklist

The following are a few guidelines for readiness for giving feedback. Are you ready to sit down and give somebody feedback? I know I am ready to give feedback when:

1. I am willing to sit next to you rather than across from you with a desk between us. (If not, the negative behavior here reflects that we think of feedback relationships as necessarily negative
2. I am willing to put the problem in front of us.
3. I am ready to listen, ask questions, and know that I may not understand the situation.
4. I am ready to acknowledge what you do well instead of just picking you apart.
5. I recognize your strengths and apply them to the current situation.
6. I can hold you accountable without shaming or blaming you.
7. I am open owning my part in this issue.
8. I can genuinely thank someone for their efforts.
9. I can talk about resolving these challenges will lead to growth and opportunity.
10. I can model the communication I expect to see from you.

Ask participants to identify which of these readiness tools they focus on when they are preparing to give feedback?

Which of these readiness tools do they focus on when they are coaching a team member, manager, supervisor, or leader as they prepare to give feedback?

Ask participants to identify ways that the readings and experience of this program to date have helped them see any one of these "readiness to give feedback" tools as essential to giving feedback to immigrant talent?

Benefits of Feedback

Encourage participants to consider the benefits of feedback:

- **Feedback reduces uncertainty.** All team members need to know where they stand in job performance. Seldom do they ask, but they always want to know whether their performance measures up.
- **Feedback solves problems.** If there is a performance problem, early feedback can usually solve it before it magnifies into a situation that requires extreme action.
- **Feedback can build trust.** Trust means being comfortable in your interactions with others. You are in a good position to predict another's behavior if he or she is honest with you over time. Team members who regularly give feedback to others are more predictable than those who do not.
- **Feedback can strengthen relationships.** Team members who can be honest in their reactions to others tend to develop stronger interpersonal relationships. While the feedback process can sometimes be trying, the ability to communicate openly leads to a greater commitment in the relationship.
- **Feedback improves work quality.** Team members cannot be expected to improve their work quality unless they have a clear understanding of what is expected of them. In addition, positive feedback for excellent performance creates incentives for improved quality of work.

The following resource provides excellent facilitator notes for the section of this webinar:

"*Giving and Taking Feedback,*" Executive Edge Newsletter, Vol. 2, Issue 15.

Giving Feedback to Others

Feedback should be:

- Specific
- Descriptive, not evaluative
- Timely
- On-going

Receiving Feedback from Others

When you receive feedback:

- Get as much information as possible
- Do not become defensive
- Use the feedback you solicit

Communication Skills Development: Giving and Receiving Feedback

Feedback is critical to success as team members and organizational leaders. When receiving feedback:

- Be receptive
- Use rapport establishing behaviors
- Listen carefully
- Control inhibiting nonverbal responses
- Probe for understanding
- Avoid arguing
- Avoid giving “excuses”
- Avoid defending and defensive behaviors
- Acknowledge the other person’s point of view
- Thank the other communicator

When giving feedback the following distinctions are important to remember:

- **Positive/Negative Feedback** – The art of feedback involves giving positive feedback without strings and giving negative feedback positively. Organize your feedback by beginning with positive feedback, stating your concern, and closing with a positive affirmation.
- **Message-Focused/Person-Focused** Feedback – The goal in giving feedback is to give message-focused feedback. Facilitate message-focused feedback by sticking to issues and specific descriptions. Use a piece of paper or flip chart to record issues in order to keep the focus on the message not the person.
- **Immediate/Delayed Feedback** – Generally, the most effective feedback is that which is most immediate. However, delayed feedback may be appropriate if you are unsure of your ability to provide the feedback in a positive, message-focused manner.
- **High Monitoring/Low Monitoring Feedback** – High-monitoring feedback is carefully constructed and designed to serve a specific purpose. Low-monitoring feedback is spontaneous and a totally honest reaction. Generally speaking, the most effective feedback is high monitoring.
- **Supportive/Critical Feedback** – Feedback is supportive when you encourage, affirm, coach, or console the other. Critical feedback is evaluative. Be supportive!

The Shift from Performance Management to Performance Development

Take a few minutes here to explore performance development. Share the following:

Recent research from the Gallup Organization finds that organizations have come to realize that traditional approaches to performance management do not effectively motivate and enable employees. In fact, they often have the opposite effect.

Successful performance development is not just about changing the way annual reviews are conducted. Rather, performance development is about creating a cultural shift in how people work and how they work together. Moving from performance management to performance development requires HR Professionals, managers, and supervisors to think of themselves in a new way: as coach, not boss. Here we will use the generic term “manager” to encompass all those who provide employee feedback and performance development (management).

With performance management, organizations can transform their managers into coaches by teaching them effectively and cohesively:

- establish expectations
- continually coach
- create accountability

Clear expectations often start with a job description, but that description must reflect the employee’s actual work. Good managers not only establish expectations and give employees as voice in the process; they also help employees understand why their role exists and how their role expectations align with team and organizational objectives. Expectations must be clear, collaborative and aligned.

Feedback needs to be frequent, focused, and future-oriented. Much of the criticism aimed at performance management focuses on the annual review – and for good reason. While these more formal conversations can be worthwhile, managers often rely on them too much as their primary opportunity for providing employee feedback.

Although the amount of feedback employees need varies by person and task, Gallup recommends that employees experience some form of feedback at least one a week, whether that is recognition, considered feedback or encouragement. When employees don’t have contact with their manager at least once a week, engagement tends to fall substantially.

Conversations between leader and team members create a dialogue where organizational “cascade messaging” can build alignment for execution of organizational goals.

When the manager becomes a coach and coaching becomes strengths-based and engagement- focused, managers move beyond the role of “task manager” to the role of “performance coach.”

Eight Questions for Performance Development

Play the TRIEC Video: *Cultural Perceptions of Change and Leadership.* Follow that clip with an open discussion of ways to engage in performance development for immigrant talent.

Ask participants to consider 8 of the 12 questions developed by the Gallup Organizations as ways to understand, value, and develop talent. For a more detailed discussion of the 12 Elements please see: *12, The Elements of Great Managing* by Rodd Wagner and James Harter included in the toolkit for this customization.

For our purposes in this webinar we have elected to choose 8 of the Q12 questions that need to be a part of every employee's performance development conversations. These questions are critically important for immigrant talent as they clarify and drive forward expectations, engagement, retention, and successful achievement of outcomes.

1. Do I know what is expected of me at work?
2. Do I have the materials and equipment I need to do my work right?
3. Do I have the opportunity to do what I do best every day?
4. Does my supervisor, or someone at work, seem to care about me as a person?
5. Is there someone at work who encourages my development?
6. At work, do my opinions seem to count?
7. In the last 6 months, has someone at work talked to me about my progress?
8. This year, have I had opportunities at work to learn and grow?

The following reading included in the toolbox for this webinar provides the facilitator with detailed discussion of each of these items:

Rodd Wagner and James Harter, 12, *The Elements of Great Managing*, (2006). Gallup.

HR Professionals' Applications for Performance Development

What implications do these questions have with regards to your work with managers, supervisors, and leaders in the mining industry?

How might a focus on these questions help the managers, supervisors, and leaders with whom you work more effectively communicate with international talent?

How might these questions help you as you communicate with employees – regardless of diversity – as you strive to find the levers for engagement, retention, and employee success?

Note: Many organizations – including mining organizations across North America – are using Q12 and these 8 questions specifically as investment tools in communication and feedback for performance management of immigrant talent.

Key here is the strategy of asking employees to prepare a short (sentence to paragraph) response to the questions prior to the performance management conversation with their manager, supervisor, or leader. In this way the employee is empowered to think through responses and the conversation with the manager has a solid place to begin.

Typical Tasks in Preparation for the Performance Appraisal Meeting

Employee Tasks	Manager Tasks
Recommended Practices: • Expect to receive an appointment to meet with your manager • Gather appropriate documentation and resources needed for the meeting	*Recommended Practices:* • Provide minimum 15 days notice • Verify mutually convenient location and time • Ensure the location is private • Advise employee what documentation and resources to bring to the meeting
Review and understand job responsibilities *Recommended Practices:* • Learn about department goals and strategic corporate objectives • Understand the knowledge required for you to achieve objectives (Technical Skills) • Understand the attitudes and skills expected of you in your role (Essential or “soft” skills)	**Clarify job responsibilities** *Recommended Practices:* • Establish links between individual and department goals with strategic corporate objectives • Define the knowledge required to achieve objectives (Technical Skills) • Identify the attitudes and skills expected of the role (Essential or “soft” skills)
Recommended Practices: Consider performance using quantitative and qualitative criteria for technical and “soft” skills such as: • Project Reports • Status Reports • Statistics • Feedback from Clients, peers and business partners, manager • Emails, letters, documentation • Completion of development requirements	*Recommended Practices:* Consider performance using quantitative and qualitative criteria for technical and “soft” skills such as: • Project Reports • Status Reports • Statistics • Feedback from Client, Peers and other business partners, manager • Emails, letters, documentation • Observation reports • Status of development requirements
Review overall expectations and performance criteria	**Jointly discuss overall expectations and performance criteria**

Employee Tasks	Manager Tasks
Review each objective in detail *Recommended Practices:* Focus on performance based on objectives and set criteria	**Review each objective in detail** *Recommended Practices:* Focus on performance based on objectives and set criteria
Decide what additional information is needed	**Decide what additional information is needed**
Document interim meeting date(s)	**Determine interim meeting date(s)**
Participate in joint discussions and on-going feedback and coaching	**Schedule regular coaching and one-one meetings with employee**
Regularly review areas for development Discuss what additional support is required to achieve success; develop action plan and what employee will do to ensure success.	**Regularly review areas for development** Identify additional support is required to achieve success; develop action plan and what manager will do to help employee achieve success.
Document Progress	**Document Progress**

EMPLOYEE RECOGNITION

Note to Facilitators: While time available in this webinar limits our discussion of Recognition, it is a critical function of Communication and Employee Development.

*Encouraging the Heart**by Kouzes and Posner identifies seven essentials for recognition and praise. These essentials the standards:

1. Set clear standards
2. Expect the best
3. Pay attention
4. Personalize recognition
5. Tell the story
6. Celebrate together
7. Set the example

Think of the "Best Recognition" you have ever received? Then look at the seven elements of recognition above and see which of these seven essentials of recognition was a part of your "Best Recognition" experience.

Now, turn to your own HR Tool Kit, what recognition strategies do you have in place in your mining industry? How might you use the seven essentials above (and more fully defined in the HR Tool Kit for this customization) to enhance your recognition strategies especially for immigrant talent in the mining industry?

These two readings provide excellent resources on the importance and best practices in recognition for this webinar:

James Kouzes and Barry Posner, *Encouraging the Heart*, (2003). Jossey-Bass.

Eric Mosley and Derek Irvine, *The Power of Thanks: How Social Recognition Empowers Employees and Creates a Best Place to Work,* (2014) Jossey-Bass.

ACTIVITY: FOLLOW-UP TO SESSION THREE: WEBINAR

Activity 4 of 4: Strategies for Employee Development

As follow-up to this webinar, please ask participants to take a look at their own HR Tool Kit and identify key learning from this webinar that they will work on. Perhaps participants will focus on communication, feedback, performance conversations, or recognition. The choice is theirs. Take care in focusing the strategies, tools, or resources toward communicating with and developing immigrant talent in the mining industry.

Ask participants to please come prepared to share their Tool Kit work on Communication and Employee Development during the opening conversations of our next face-to-face session that will be:

________ (Insert Date Here) ______________________________

REFERENCES

"Strengthen Your Personal Communication Skills," Executive Edge Newsletter, Vol. 1, Issue 15.

Bob Matha and Macy Boehm*, Beyond the Babble: Leadership Communication That Drives Results*, (2008). Wiley and Sons.

Ernest Gundling, *Working Global Smart*, (2003). Davies-Black Publishing.

TRIEC: Session 3 – Handout: Typical Tasks in Preparation for the Performance Appraisal Meeting

TRIEC: Session 3 – Handout: Comparison of Egalitarian and Hierarchical Attitudes and Behaviours Regarding Titles, Protocol, Face and Privileges3

TRIEC: Session 3 Video: *Cultural Perceptions of Change and Leadership*
"Giving and Taking Feedback," Executive Edge Newsletter, Vol. 2, Issue 15.

Rodd Wagner and James Harter, 12, *The Elements of Great Managing*, (2006). Gallup.

James Kouzes and Barry Posner, *Encouraging the Heart*, (2003). Jossey-Bass.

Eric Mosley and Derek Irvine, *The Power of Thanks: How Social Recognition Empowers Employees and Creates a Best Place to Work*, (2014) Jossey-Bass.

SESSION THREE READINGS AND RESOURCES

REQUIRED READINGS

Reading 1: *Working Global Smart*, Ernest Gundling.
Reading 2:"*Giving and Taking Feedback,"* Executive Edge Newsletter, Vol. 2, Issue 15.

OPTIONAL READINGS

- "*Strengthen Your Personal Communication* Skills," Executive Edge Newsletter, Vol. 1, Issue 15.
- Bob Matha and Macy Boehm, *Beyond the Babble: Leadership Communication That Drives Result*s, (2008). Wiley and Sons.
- Rodd Wagner and James Harter, 12, *The Elements of Great Managing*, (2006). Gallup.
- James Kouzes and Barry Posner, *Encouraging the Heart*, (2003). Jossey-Bass.
- Eric Mosley and Derek Irvine, *The Power of Thanks: How Social Recognition Empowers Employees and Creates a Best Place to Work*, (2014) Jossey-Bass.

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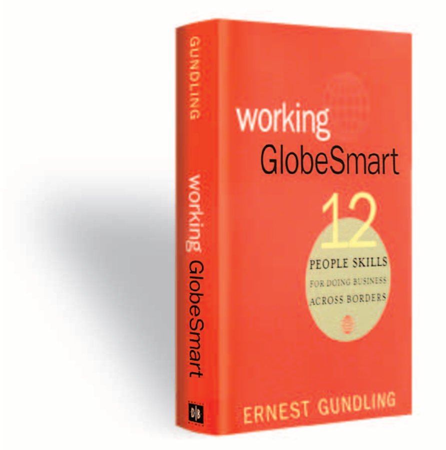
FILE: LEADERSHIP



By Ernest Gundling

12 People Skills for Doing Business Across Borders

WORKING GLOBESMART

THE SUMMARY IN BRIEF

Global business is increasing dramatically and along with it, the cross-border friction that emerges when there are misunderstood or ignored cultural differences. Though every destination provides new hazards for mistakes, the challenges you will encounter are relatively predictable and easily anticipated.

The single greatest cause of difficulties in global business transactions is lack of appropriate people skills for relating to counterparts from other countries and cultures. In Working GlobeSmart, *Ernest Gundling, an expert in strategic global approaches to leadership development, organizational change and innovation, outlines the 12 fundamental skills managers need if they intend to move across borders and succeed. Not simply a list of culturally specific customs and behaviors, this summary presents a general set of behaviors spanning interpersonal, group and organizational skills.*

Managers, especially American managers, who can understand why these skills are important and incorporate them into their business dealings — whether in South America, Europe, or Asia — will find that partners across the globe are more likely to respond and work together to achieve mutually beneficial results.

CONTENTS

What You'll Learn In This Summary

✓ Why people skills are the most frequently overlooked issue in cross-border business.

✓ How to interact with people from cultures that are more relationship-oriented, indirect, or hierarchical than the culture in the United States.

✓ How to listen to, look for, and understand what is not being said.

✓ How assumptions about the supremacy or "correctness" of our own culture holds us back.

✓ How to interact one-on-one with foreign partners as well as in team and group environments.

✓ How to implement your global strategy and vision on the ground, where it truly matters.

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WORKING GLOBESMART

by Ernest Gundling

— THE *COMPLETE* SUMMARY

Global People Skills

Managers frequently underestimate the importance of global people skills to business. The model in this book includes 12 competencies that include interpersonal, group, and organizational skills. They must be well integrated throughout your organizational culture because the value of your products, either at home or abroad, will decrease without the people skills to back them up.

Failures in global business are more insidious than acute. They seem small, but as they build up, they become lethal. Expecting others to speak one's own language; assuming everyone is eager to adopt your ways; and not taking the time to establish effective relationships abroad can all undercut plans that have been carefully strategized at home.

Generalizations about a national culture can be helpful in anticipating how people will act in unfamiliar settings, but it is improper to apply stereotypes to an entire nationality that is most likely as varied culturally and ethnically as your own. By inquiring about another culture, identifying its contribution, learning its core values and attendant behavior, and understanding the gaps between you and the average profile of the other culture, you can predict areas of potential conflict both with business partners and your own personal limits. ■

Interpersonal Skills

Global skills are built on a foundation of strong personal relationships, but these relationships can take time and have many facets. Establishing credibility, handling feedback, obtaining information, and evaluating people are all critical interpersonal skills that international managers must develop when they work in another culture.

#1 Establishing Credibility

Experienced managers tend to take their own credibility for granted in the United States and they are more eager to get down to business. In other cultures there are vastly different codes for establishing the value of new clients and partners. They may find you boastful or arrogant as you rattle off your accomplishments. Instead, take local perspectives into account. In hierarchical cultures like Taiwan, Singapore and Malaysia modesty in top leaders is interpreted as confidence and sophistication. There is no need to blow your own horn because others will do it for you. It is more appropriate to demonstrate that you are receptive and aware of the appropriate behavior.

#2 Giving and Receiving Feedback

Giving feedback can be a great source of misunderstanding among different cultures. Those that favor direct and verbal forms of communication may misinterpret or miss entirely more inexplicit and nonverbal forms of feedback. Meanwhile very direct messages can easily cause unintended offense.

In parts of Europe and the United States, feedback is usually verbal, immediate and directed at a particular person. Consider different types of feedback when working abroad, such as nonverbal feedback, periodic feedback, feedback given in a different place, or offered to a group even if the target is a particular individual. By being aware of different styles, you can give feedback in a culturally appropriate manner and recognize it when you are on the receiving end.

Here are three ways to give indirect feedback:

Maintain frequent informal communication — It is easier to interject criticism in the ebb and flow of conversation instead of pointing out specific "areas for improvement."

Ask third parties to convey information — A trusted third party can open up a mutually acceptable solution that would have been impossible if both parties had

(continued on page 3)

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For Additional Information on the author, go to: http://my.summary.com

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Interpersonal Skills

(continued from page 2)

burned bridges through more direct forms of feedback.

Anticipate problem areas and provide specific models — "Feedforward" by anticipating how local employees may make mistakes for which you will criticize them, and walk them through the process.

#3 Obtaining Information

Though gaining information can help managers understand organizational capabilities, project management issues, or market opportunities, its most important goal is to understand what employees have to contribute. Often issues such as status, motivation and previous experience with the United States or Americans colors whether or not an employee is willing to share information.

For instance in India, where people are taught to respect persons of age and authority and to keep a polite distance between people on different organizational levels, it is often difficult for subordinates to know how to bridge a status gap. If a U.S. manager asks an Indian subordinate for opinions or critiques on a specific project during a meeting or conference call that includes clients, it will be difficult for the subordinate to disagree with a superior in such a public forum.

Problems sharing information directly are more pronounced in hierarchical, group-oriented cultures where long-term relationships are a key asset. Putting your relationship with a senior member of the hierarchy in jeopardy can be too much of a risk.

Other obstacles to obtaining information that Americans may not consider are legacies of repressive political regimes that make people cautious about sharing information; an active mafia that preys on a country's business enterprises; equating subjective perceptions with objective "facts" when making decisions; or even poorly collected and organized information that is difficult to access.

Recommendations for obtaining information:

- **Ask via a third party**
- **Change the setting**
- **Explain background and context**
- **Show genuine interest**
- **Show precedent**
- **Probe politely but persistently**
- **Rephrase the request**
- **Clarify and confirm**

#4 Evaluating People

Navigating the pitfalls of evaluation in other parts of the organization without offending employees and causing significant rifts requires tact and understanding.

The Speech

A U.S. executive newly assigned to an Asian-Pacific sales operation made this speech based on his individualistic, direct, and task-focused background:

I'm very pleased to work with you in our Asian organization. I've worked with Asian companies before, and it is exciting to be part of the sales force with you. While I was director of Sales for the Western region in the U.S., we made a strong contribution to earnings. We now have a great opportunity to build a strong and profitable business together in Asia that will yield outstanding returns for the parent company and our shareholders. My wife and I look forward to living out here and getting to know you better.

The audience may be thinking the following things:

"He sounds very proud of his accomplishments."

"He doesn't seem to recognize all of the efforts we have been making here."

"Why is he talking about profit on a formal occasion like this?"

"He makes it sound like we are only concerned about stockholders."

"Does he think that Asia is one place?"

"Why did he mention his wife?

A more appropriate speech, playing to the audience's preferences for a team-based, indirect and relationship-oriented approach might have been:

It's a pleasure to meet with you today and have the chance to work together with you over the next several years. As you all know so well, this is an exciting and competitive part of the world, and we have many opportunities to become an even more vital contributor to our worldwide organization. There is much that I need to learn about doing business here and about each country and culture in the region. I look forward to getting to know each of you and the people in your sales organization much better.

Managers who do not speak the host-country language are vulnerable to receiving limited or distorted information about individual performance from people in key roles. When managers introduce the concept of accountability but still do not realize the unexpected effects of market circumstances, poor business results can be attributed to the wrong causes. Employees may feel divided motivation between evaluation criteria set by the foreign manager and that set by local managers. In addition, junior employees at immature subsidiary organiza-

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An Incorrect Evaluation

Ernest Gundling describes an incident that occurred a number of years ago when an Indian scientist joined his work group. Gundling was uncomfortable with the scientist from the start. The scientist wore expensive clothes and kept his carefully oiled hair tidy; Gundling preferred a natural look. The scientist was talkative and gregarious and would debate at great length on all topics; Gundling stayed quiet unless he had something important to say. The scientist spent hours in the cafeteria talking to acquaintances; Gundling spent his time in his cubicle working on his action items.

Eventually Gundling told an American colleague that he didn't feel the Indian scientist was adding value to the group. The American colleague told him he was wrong. The Indian scientist had made important contributions in generating new ideas and building support in the organization for the next implementation steps. The Indian scientist himself heard about Gundling's remarks, and told the author that there were many ways of getting things done. "I was embarrassed both for evaluating him incorrectly and for passing on that mistaken view without verifying it," Gundling writes.

Interpersonal Skills

(continued from page 3)

tions do not have the benefit of middle management mentors, or the middle managers may not have the skills or inclination to train and develop them.

Often those with good people skills at home make the wrong choices abroad. The most common trap is to evaluate people positively on the basis of language skills when they are deficient in managing subordinates or working with customers. Learn local standards so that you can discern when conduct that signals competence in your own environment has a different significance. ■

Group Skills

Beyond working one-on-one, so much of business relies on team work. The problems of culture become magnified with each new person or culture that is added to the group. Working on global teams, training and development, selling and negotiating all need to be approached differently than they would be at home.

#5 Working on a Global Team

Teams play an increasingly vital role in accomplishing corporate business objectives, and teamwork is not easy for a diverse group whose members bring very different viewpoints. Globally dispersed teams that rely heavily on virtual forms of communication are common. This becomes difficult because of individual personalities; whether the team members trust each other; different communication styles; the tendency to defend national interests; and basic assumptions regarding the role of the team leader or meeting styles.

The more diverse a team the more information and perspectives it has to work with, but the diversity also makes it more difficult to work toward shared goals. Develop positive team chemistry by creating a shared context and building relationships of trust and rapport. Because the ability to contribute ideas or offer constructive criticism is influenced by cultural background, meeting facilitation techniques become important for drawing out opinions. For a team to work cohesively, it must decide on mutually acceptable styles for decision-making, a common team vision, problem solving methods, roles and responsibilities, and a set of core intercultural values that bind team members together.

The amount of "context" available through different types of interactions should be considered depending on the importance of the meeting. Person-to-person meetings afford a large number of contextual cues through informal contacts, direct physical exchanges, nonverbal messages. Each step on the way from personal meetings to e-mail involves a significant loss of context.

One caveat is that though humor is a key ingredient to building good intercultural teamwork, inappropriate humor can be offensive and can reflect poorly on the humorist. A safe form of humor in an intercultural context is directing it at one's own shortcomings.

#6 Training and Development

Training and development objectives are relatively universal despite the radical changes in recent decades. Training still remains a primary vehicle for enabling employees to meet corporate objectives. But learning styles and instruction methods, like everything else, are deeply influenced by culture. Trainers going abroad can make the mistake of presenting materials at a level that is either too advanced or simple for their foreign audience or has a lack of content fit, such as corporate mandated U.S.-based diversity training in India where the relevant diversity issues center on Muslims.

Overseas trainers should reconsider their attitudes and expectation in certain areas:

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Group Skills

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● **Credentials** — What credentials are important to the trainees and how will they probe for them?

● **Level of formality** — What level of formality do the trainees expect from the trainer?

● **Agenda** — How closely is the trainer expected to follow the agenda?

● **Discussion or debate** — Will audiences grill a presenter on factual claims? Is the presenter prepared to defend these claims with rigorous observations?

● **Small groups** — Are the trainees more comfortable discussing questions and concepts in small groups than in front of the whole audience?

● **Tests** — Do the trainees expect and want to be tested to prove the rigor of the training?

Cultural issues are equally important in employee development, whether it is formal or not. Western managers' approach to employee development involves setting parameters of a task and giving an employee room to complete it, assuming he or she will consult the manager if necessary, but only after trying to solve the problem first. Other cultures can view this hands-off style as "delegate and disappear." When dealing with subordinates who do not understand the Western style, managers should anticipate developmental needs of the employee; establish standards through personal example; expect employees to bring you problems; and expect to be approached about personal as well as business matters.

With respect to managing performance, it is important to work hard to integrate any new performance management systems into the foreign country's culture and make sure that everyone understands that judgments are going to be based objectively on performance rather than relationships. You will need comprehensive training for managers and employees; recognition for contributions to a team so employees do not see top performers as selfish and unjustly singled out for praise; clear quantitative measurements; frequent informal feedback; and a culture of openness where people can discuss how to improve their performance.

#7 Selling

Selling is likely the most resistant occupation to globalization, because buyers everywhere are literally and figuratively more comfortable with sellers who speaks their own language.

Initial Contacts — The task-focused methods of initiating contacts, such as cold calling, e-mail and ads, are less effective in foreign markets where an introduction from a mutually respected third party is far preferred.

Discovery — Keep culture in mind when learning about the organizational and transactional background. Develop effective responses to potentially incomprehensible behavior such as customers more interested in how you can fix the past than the future; customers who react better to personal questions than business questions; or those who expect to be treated like royalty instead of partners.

Relationship Selling — Relationships do not end with the sale in many cultures. They continue to grow over time and develop a web of mutual obligation. The progression from vendor to outsourcing solution to strategic partner is similar to the progression from acquaintance to friend to family, and each step comes with more serious obligations than you typically expect of business partners.

Handling Customer Concerns — The deepest objections and concerns held by customers may not be expressed directly, since broaching awkward subjects with foreign "guests" is uncomfortable. Learn to recognize the meaning behind common probes and give answers that respond to the underlying issues.

Persuasion — Western salespeople sell to an individual customer with a particular personality, but that is difficult when the buyer is a complex group that has dramatically different behaviors depending on the situation. While you may believe persuasion is a matter of verbal agility, elsewhere it may also involve nonverbal and contextual clues as well as lobbying through third parties

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Making Contacts in Italy

Dave Wong has spent the past few weeks meeting with Mr. Adamo from an Italian company that would help the expansion of his business in southern Europe. The meetings are friendly and open, if a little long, but the overall tone is positive and Adamo is interested in the leadership and reputation of Dave's company and its experience with other Italian customers.

Dave asks an Italian manager how to cement Adamo's interest, and the manager advises face-to-face meetings between Dave, Adamo, and selected contact people from other Italian customers. Their feedback and endorsement will show Adamo the company is well respected and connected in Italy. Dave thinks the request will be an imposition on his customers, but finds to his surprise and pleasure that they are happy to do it.

In the Italian relationship-oriented culture business people feel more comfortable dealing with people they know well, so this sales approach is appropriate. But a reciprocal obligation comes along with the privilege of making this kind of arrangement. The customers who have so cheerfully agreed to cooperate may soon ask Dave Wong to return the favor.

Group Skills

(continued from page 5)

and associating with high-status people or institutions.

Closing the Sale — Salespeople tend to misread signals from foreign buyers about when and how to "close." The classic mistake is believing you have an agreement when the mild "yes" from your host is nothing more than polite interest or a signature means little in the local legal environment. The close expands to stages such as listening to and incorporating customer ideas, not rushing the buyer when you want to close, and completing small projects in hope of getting larger ones later.

#8 Negotiating

With so many stakeholders and potentially conflicting interests, it is difficult for cross-border negotiators to overcome cultural and national differences. Because their consumer economies are based on fixed prices, businesspeople from the U.S. and Northern Europe are at a distinct disadvantage in countries where consumer prices are negotiated. Never be overconfident when negotiating abroad. It is extremely difficulty to outwit a foreign negotiating team when it is part of their heritage. For example, compare some elements of the Chinese negotiating style to your own expectations:

In China any knowledge is power and there is **no expectation that confidential negotiations will be kept secret.** The people you negotiate with today already know what price you agreed to with your previous customer.

The Chinese are charming and skilled at coaxing additional concessions in the spirit of friendship and mutual cooperation, especially from **starry-eyed companies intoxicated by the prospect of 1.2 billion new customers.** Be certain of and firm about your bottom line, and never give a concession without receiving one of equal or greater value in return.

Chinese negotiation **teams have a leader who consistently speaks on behalf of everyone.** If individual members of American teams express different opinions in the name of creative brainstorming, the other team will pick up on who is more sympathetic to them, develop a special friendship, and eventually call in their chips.

Relationship-based cultures with long histories are less hurried than their counterparts and are **unlikely to yield concessions because of time constraints.** Once they know your departure date or internal operating deadlines they will use that as leverage.

Unresolved issues from the day will often reappear during the course of a banquet or after-hours socializing. **Stay alert because lengthy toasts often signal negotiating demands,** and you will be at a disadvantage if half-drunk and unprepared to respond with your own toast.

In China the **contract signing is a symbolic mutual acceptance of a new relationship.** When unexpected problems arise people turn to the flexibility of the new relationship to solve the problems. What Americans see as postcontract negotiations in bad faith, the Chinese see a natural problem-solving method. ■

Organizational Skills

Once you have internalized these people skills and developed an awareness of the differences between your national culture and that of your overseas partners, you must determine how to adjust and accommodate your *corporate* culture to the business arena abroad as well.

#9 Strategic Planning

The most critical strategic act in a cross-border contest is "frame shifting" or moving from a plan of action that makes sense in one environment to another plan that makes more sense elsewhere. The key skills for strategic thinkers in the global environment are questioning assumptions and anticipating future global market changes.

Strategic planning involves examining the external business environment and internal capabilities of your organization, then formulating goals and an action plan to achieve your organization's vision. In your home country you may know how to do this, but abroad your success will depend on **what** information is examined, **who** is involved in creating strategy, and **how** the process is structured. Obviously international employees should be involved as much as possible.

Because relationships are so important abroad, create a deliberate relationship strategy linked to your business strategy. Relationships may be the best available source for gaining access to key customers, collecting market intelligence, protecting intellectual property, or winning government support. Cultivating and sharing personal networks is critical in grasping indigenous frames of reference and making the adjustments to develop a successful strategic plan.

You will also need to develop global leaders to regenerate strategic success. High potential employees must learn cross-border strategic planning, as well as combine the analytical skills and personal qualities needed to direct and engage with employees around the world. To create these new leaders, begin a deliberate global development plan involving varied job experience, international business travel, multicultural teamwork, contact with executive role models, and global business responsibility.

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Organizational Skills

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#10 Transferring Knowledge

Transferring knowledge smoothly and efficiently across borders has become an important competitive differentiator. A key skill required is creating "pull" or a demand for the knowledge that is to be transmitted. Some of the major drivers of global knowledge transfer are global product development strategies, relocation of production facilities to lower-cost labor sites, host government demands for a policy of proactive technology transfer, and the high cost of expatriate packages.

Gather the knowledge — Much knowledge is tacit rather than explicit. You must gain the trust and cooperation of the people who hold the accumulated experience and intuition.

Convey the knowledge — Look for ways to create a pull factor and ensure that information is shared horizontally and vertically.

Get the knowledge to stick — Expect problems in individual accountability, and look for ways to strengthen and reinforce accountability through personal relationships and concrete systems for data collection, evaluation and rewards.

Generate new knowledge — Cultivate local leaders who fully buy into the new practices. Accommodate cultural differences but do not allow them to be used as a smokescreen to conceal poor performance.

Knowledge transfer can be affected by all sorts of other issues, including:

- **Organizational vision and strategy** and the commitment to boundaryless knowledge sharing.
- **Politics and community relations** between the organization and host country.
- **Definitions of knowledge** by people with different backgrounds.
- **Subsidiary capacity** to acquire new knowledge given education and experience level of local employees.
- **Personal trust and relationships** between parent company managers and subsidiary employees.
- **Information technology systems** and whether they are designed to enhance personal interaction or replace it.
- **Performance evaluation and reward systems** that are structured to support knowledge transfer.
- **Protecting intellectual property** from misuse and guarding against overly enthusiastic or illicit pull.

#11 Innovation

To succeed at innovation, managers and employees must generate ideas, turn them into substantive products and services, and implement them. When relying on sources from across the world, company leaders have an added challenge. The corporate strategy may espouse innovation, but a more traditional set of hierarchical values remain in place in subsidiaries. Without systems that provide incentives and minimize disincentives, employees will not push for promising but untested ideas.

All areas of an organization including individual behaviors, teamwork, management practices, organizational systems and culture should be aligned to foster innovation and then convey the delicate balance to other environments. Improved communication throughout the company will help spread ideas as well as commitment to innovation. Focusing subsidiary energy to suit their competencies, such as invention, product development or commercialization, is another way to spread innovation.

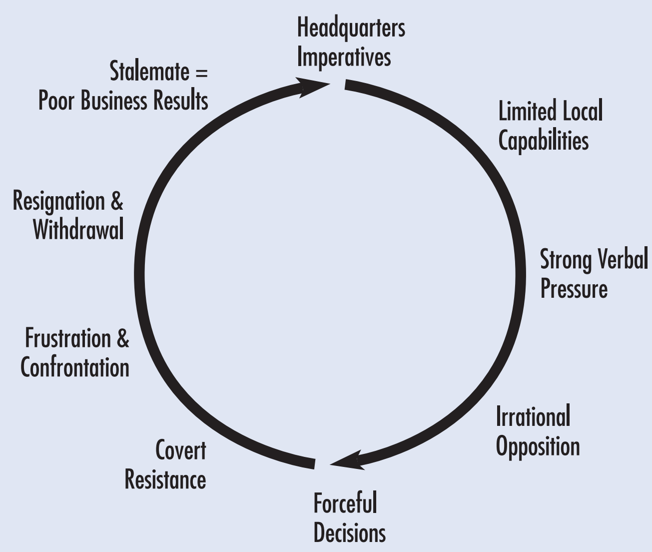
State of the art innovation leverages globalization to make further innovation possible. The complete package for achieving global competitive advantage is to provide attractive products or service in the world's most profitable markets at the lowest possible cost in a socially responsible way.

#12 Managing Change

Even at home, tremendous momentum is required to move new changes forward in an organization, but to do it across borders you need a shared repertoire of global change management skills and a positive track record of past transformations to engender goodwill. This means building partnerships, but often change initiated by corporate headquarters meets with stiff local resistance abroad. Because subsidiaries are so far away, it is easy for them to ignore directives from the corporation or make their own changes.

Organizations often get trapped in the "Foreign

The Foreign Capital Company Syndrome



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Organizational Skills

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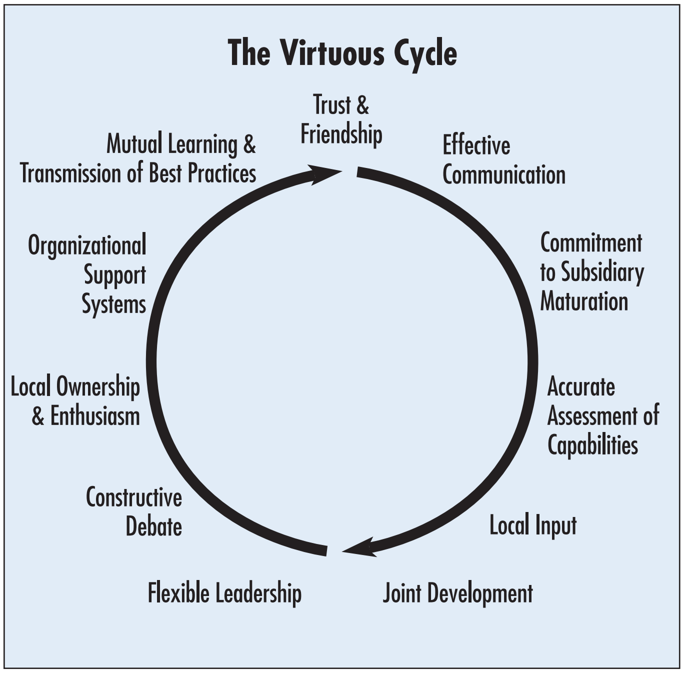

Capital Company Syndrome," a negative cycle of misunderstanding and misguided efforts (see chart on page 7). This negative spiral leads from fruitless discussion to imposed change to covert resistance and, finally, to poor business results.

Some of the most spectacular failures of cross-border change efforts can be traced to the failure of would-be change agents to establish credibility, obtain accurate information from distant locations, select the right people to drive the project, or lay the proper foundations for productive team interactions.

A better idea is to emulate the Virtuous Cycle, which generates positive momentum (see illustration above). In this case, effective communication, accurate assessment of capabilities, local input, joint development and other positive approaches leads to local ownership and enthusiasm, mutual learning and transmission of best practices and other positive results.

Often there is the desire to merge two cultures and their separate systems to create a "happy hybrid," but trying to make everybody happy is foolish. There is a broad menu of options beyond superficial hybrid solutions for those in charge of corporate makeovers. Systems can be standardized, selected, adapted, combined, integrated or adopted to come up with new ways of doing business. Think carefully about which approach or combination of approaches is most appropriate for every situation. ■

Global Citizenship

As international managers head out to become global citizens they must consider how they will be changing the world. Does the foreign country want the changes you bring? Should it have them? As values around the world change, the best place to initiate change is where local customers and employees desire it or are open to it. Rather than national international managers, the world needs global citizens who can easily move from one culture to another. They encompass the core items of trust, respect and listening covered in these 12 skills, but also participating in meaningful work, profit, integrity, social justice, environmental sustainability, mutual learning and personal and professional growth. Global citizens transcend the dichotomies of parent and subsidiary and home and host country. As the ratio of overseas to domestic revenue shifts dramatically, companies will need employees who can recognize local customer needs, weight them against the organization's strategic priorities, and invest valuable resources in the best interest of the company. ■

Innovating by Globalizing

Infosys, headquartered in Bangalore, India, describes itself as an innovator in "solution definition and engagement delivery." It has prospered by finding innovative ways to enter and thrive in the global marketplace, thereby laying the foundation for further innovation. Its most compelling innovation is to package an irresistible business proposition for overseas customers:

- ✓ Well-trained English-speaking software talent
- ✓ The ability to manage large-scale software projects
- ✓ Supportive government policies
- ✓ Round-the-clock service provided by operations in different time zones
- ✓ Costs that are a fraction of those of in-house services or outsourcing operations based in the U.S. or Europe.

Infosys has been a pioneer in the outsourcing revolution that is changing the economy of Bangalore and India. Built on globalization, 70 percent of the company's business is from U.S.-based clients. The company has managed to convince the West it can provide high-quality reliable services and at the same time demonstrate to local residents that it is not just exploiting cheap labor.

Vol. 2, Issue 15

Executive EDGE

Information and Skills You Need to Get Ahead

In This Issue...

Giving and Taking Feedback

Feedback Helps Engagement

Companies need to give feedback and coaching to make sure that employees’ efforts stay aligned with organizational goals and the expectations of direct supervisors. This alignment is a necessary precondition for employee engagement. Leigh Branham covers how to coach and give feedback in ***The 7 Hidden Reasons Employees Leave*** in which Reason #3 for why employees leave is “Too Little Coaching and Feedback.”

The dynamics of manager-employee relationships are complex, but with effort and the right approach, you can keep employees engaged. Consider implementing these practices:

- **Provide intensive feedback and coaching to new hires.** Plan how you want employees to spend their first week on the job and spend time with them during that initial period. Discuss your performance expectations in detail, and ask the employee to draft a performance agreement that summarizes his or her objectives. Make it clear that giving feedback is your responsibility and getting feedback is his or her responsibility. You must both be proactive in your roles.
- **Create a culture of continuous feedback and coaching.** Conduct informal, on-the-job feedback conversations with your employees in addition to formal performance reviews.
- **Train managers in performance coaching.** Make sure your managers understand the five-step process for successful coaching:

  Step 1: Get the employee’s agreement that a problem exists.

  Step 2: Mutually discuss alternative solutions.

  Step 3: Mutually agree on action to be taken to solve the problem.

  Step 4: Follow up to measure results.

  Step 5: Reinforce any achievement when it occurs.

  This process is focused on producing positive behavior going forward, not for assigning blame or motives for past behavior.
- **Make the performance management practice less controlling and more of a partnership.** Most experts on performance management systems report that companies achieve the greatest overall satisfaction and effectiveness with feedback systems in which managers and subordinates partner in handling performance issues, rather than having managers simply perform annual HR exercises with vague objectives that tie performance rank to pay scale.
- **Terminate nonperformers when best efforts to coach or reassign don’t pay off.** Despite your best efforts to coach nonperformers or change the nature of their job assignments, sometimes it is simply best to let them go. All too often, other valued employees know when that time has come long before the manager does, and failure for management to act can adversely impact the commitment of those valuable performers.
- **Hold managers accountable for coaching and giving feedback.** Introduce “upward-evaluation” systems — allowing employees to give feedback for managers — and incorporate coaching and feedback competencies into the list of key competencies you require of all leaders. The only way to ensure coaching practices and mechanisms are working is to hold your managers accountable for making them work.

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How to Practice 'Feedforward'

Marshall Goldsmith explains feedforward in ***What Got You Here Won't Get You There***.

Feedforward is feedback going in the opposite direction. If feedback reports on how you functioned in the past, then feedforward comes in the form of ideas that you can put into practice in the future. Feedforward asks you to do four simple things:

1. Pick one behavior you would like to change that would make a significant difference in your life.
2. Describe this objective in a one-on-one dialogue to anyone you know.
3. Ask that person for two suggestions for the future that might help you achieve a positive change in your selected behavior. The only ground rule is there can be no mention of the past. Everything is about the future.
4. Listen attentively to the suggestions. Take notes if you want. The only ground rule is you are not allowed to judge, rate or critique the suggestions. You can't even say anything positive. The only response you're permitted is "Thank you."

Feedback Tells Us What to Change

As Marshall Goldsmith points out in ***What Got You Here Won't Get Your There***, feedback has always been with us. Formal up-the-ladder feedback designed to help managers appeared in the middle of the 20th century with the first suggestion box. A more recent development is 360-degree feedback, which is solicited from everybody at all levels of the organization. Here are five ways to get feedback by paying closer attention to the world around you:

1 **Make a list of people's casual remarks about you.** Examples: "That was really smart" or "You're late." Then do it the next day and the next. Do it at home, too, if you want. Eventually you'll compile enough data about yourself to establish the challenge before you.

2 **Observe how people deal with you.** Do they listen when you have the floor or are they drumming their fingers? A variation on this drill is to make sure you're the first person to arrive at a meeting. Observe how people respond to you as they enter. Do they pull up a chair next to you? Or do they barely acknowledge your presence and sit across the room?

3 **Complete the sentence.** Pick the one thing you want to get better at and then list the positive benefits that will accrue to you and the world if you achieve it. For example, "If I get in shape, one benefit to me is that …" and then complete the sentence. As you get deeper into this exercise, your answers will become less corporately correct and more personal. That's when you know you've hit on an interpersonal skill that you really want and need to improve.

4 **Listen to your self-aggrandizing remarks.** None of us is immune to this phenomenon. What do you boast about? It's possible that if you assess this alleged "strength" as closely as your friends do, it's really a weakness. You shouldn't be bragging about it at all.

5 **Look homeward.** Your flaws at work don't vanish when you walk through the door at home.

Feedback tells us what to change, not how to do it. But when you know what to change, you're ready to start changing yourself and how people perceive you. You're ready for the next step: telling everyone you're sorry.

Closing the Gap

A gap is the difference between what you expected and what actually happened. Gaps include missed commitments, disappointed expectations and bad behavior. A gap is something that is hard or even risky to discuss, according to Kerry Patterson, Joseph Grenny, Ron McMillian and Al Switzler in ***Crucial Confrontations***.

You've picked out a problem, decided to say something and considered the possible influences behind it; now you are about to take action. Remember: Almost nobody should believe that he or she has been groomed to solve touchy and complicated interpersonal problems.

One bad way to begin is *sandwiching*. This is when, to soften a violent blow, you first say something complimentary, next you bring up the problem, and then you close off with something complimentary. For example: "Hey Bob, good-looking briefcase. By the way, do you know anything about the ten grand missing from our retirement fund? Love the haircut."

What if the feedback you want to give could crush the other person?

*(This is one of several questions addressed by Kerry Patterson, Joseph Grenny, Ron McMillian and Al Switzler in **Crucial Confrontations**.)*

Solution: Begin having crucial confrontations about single areas that could use some improvement. Praise the person's willingness, then explain that there is one thing you'd like to see improve. Provide clear, direct and detailed feedback in that area alone. Once the person has improved in that area, pick another problem and work on it. Over time, if the person hasn't been able to improve, you will have earned the right to have the larger relationship conversation.

Most people despise this type of indirectness. It is dishonest, manipulative and insulting. Don't sandwich, play charades, pass the buck or play "read my mind." Skilled problem solvers carefully describe the gap. Here's what to do:

- **Start with safety**. When others feel unsafe, you can't talk about anything. If you can create safety, you can talk with almost anyone about almost anything — even failed promises. If you maintain a safe climate, others will hear and consider what you are saying. Maintain mutual respect and mutual purpose.
  If you anticipate how others might assume the worst about what you have to say, use *contrasting*. Predict their erroneous conclusion, explain that their assumption is what you *don't* mean, then explain what you *do* mean. Discuss problems in private, one on one, face to face.
- **Share your path.** Gather the facts. Describe what the person did and the result. Share your story, too. Trade "You said" for "I thought we agreed." Swap "It's clear" for "I was wondering if." If you start to share your story and the other person becomes defensive — take away his or her fear. Step out of the content and restore safety.
- **End with a question.** To close your opening paragraph, end with a simple diagnostic question: What happened? Make this an honest inquiry, not a veiled threat or an accusation, such as: "What's *wrong* with you!" Your goal should be to hear the other person's point of view. Listen carefully as the other person answers the question.

Here's an example: Your direct report fails to show up at an important meeting and you don't think he missed it on purpose. You have no story. You invite him into your office, safely describe the gap, and end with a question.

"Chris, I noticed that you missed the meeting you had agreed to attend. I was wondering what happened. Did you run into a problem of some kind?"

You take the other person to a private setting, describe the facts (what was expected versus what was observed), and end with a question. And now you are listening to diagnose the underlying cause. By describing the gap, you have started on the right foot and are now ready to diagnose what's causing the problem.

Feedback 365 Days a Year

Susan Scott discusses several aspects of feedback in ***Fierce Leadership*** as part of

Feedback's Company Role

In an *Executive Insights* interview with Roseline Marston, president, A.D. Marble & Company, host Andrew Clancy asked about one of the company's strong points: Feedback.

***Soundview:** The company has a very strong feedback process whether it's with customers or internally with its employees. What are some of the essentials that make that process as effective as it is?*

Marston: You can get all the feedback in the world and if you don't do anything with it, it's not productive at all. So, listening to that feedback, I would say, is the key component in making it work, and improving yourself and improving the company. And like you said, we have feedback that we receive from our clients. We do more of an assessment of: How are we doing? How responsive were we? What do you think about our cost? and all that. So, we get that feedback and we look at it and try to figure out, depending on what we get back, what are we going to do about this? And it's part of our strategic plan — we incorporate those comments and look at improving the company on the external side and how we're going to serve our clients.

But one of the things I find most productive, and actually it makes the feedback from the clients better, is the internal feedback that we get from the employees. We survey our employees every year before our strategic planning meeting and we have a goal in our strategic planning that is dedicated to employees and addressing their concerns through that survey. And we ask a lot of really key questions that give us a lot of really good information: Do you see yourself at A.D. Marble & Company in five years? That way we can get a sense of how long-term these employees are thinking and if there is a problem there. How much do you trust that the operations team is doing a good job? How well are we communicating the strategic plan — do you understand it? So those kinds of things are really important.

Actually, we are able to go back and put together a goal in the strategic plan that helps the other goals in some ways because we are addressing their issues. But you have to listen to it — there is a question in the strategic plan that says, "If you were president of A.D. Marple & Company, what would you do?" And it's very hard for me not to take it personally. I'm looking at the responses and thinking, "But I did that," "You don't understand …" and I have to step back and go "This is the feedback. This is how they see it." So, if I am doing something that they can't see, I'm not communicating that well. So it gives me an idea of what I can do better. But I've got to admit, it is not easy to take. And some of the comments — because it's completely anonymous — some of the comments — they're tough, tough to take. But I think it has helped me in my leadership role. If you don't get feedback or people are afraid to give it to you, then what do you have to improve? What do you have to look forward to? … so I find that very interesting.

When we stay current with one another, our formal performance reviews will contain few, if any, surprises, because everyone will already know exactly how they're doing.

It's Best to Speak the Truth

In a recent *Author Insight Series* interview, host Andrew Clancy spoke with Craig Wasserman and Doug Katz, authors of ***The Invisible Spotlight***.

***Soundview:** If there's one line that will resonate with anyone reading this book, it's "Moments of discomfort are unavoidable in a healthy relationship between committed professionals." You provide an example in which you remind a manager that the situation plaguing him is a management decision, not a negotiation. What is at the root of why managers try to soften these moments? What advice do you have for managers who tend to suffer from this problem?*

Katz: We call it the "compassion paradox." This is the condition that leads people to believe that not telling your husband or wife that what he or she is wearing looks bad is compassion. The fact of the matter is that sometimes the truth is compassionate but the truth is uncomfortable in the moment. You ask why would a manager distort the situation and not recognize that a decision is being called for. It's because he or she thinks it's more compassionate to not make waves, to not speak the truth and create the kind of discomfort that usually leads to a better state of affairs, not a worse one.

Wasserman: There's a basic truth that we have to accept: We all lie. We all have the tendency to avoid an uncomfortable truth to make life more comfortable, but we miss the mark. It doesn't advance the ball at all. As managers, we have a basic prayer that states, "Maybe it will go away by itself." Our task is to fulfill what our employees want us to do. Employees tend to think, "Be straight with me. Give me the information as clearly as you can. I might not like it. I might get angry at you. I might storm out and mope for a few days, but I'd much rather know how I'm doing so I have a shot at improving it than being in the dark and complaining while you're escorting me out the door."

Fierce Practice #1. When feedback is given at regular intervals, usually coming once or twice a year, it rarely immediately follows the behavior that generated the evaluations, so exactly what we did right or wrong to merit a certain evaluation often remains a mystery.

Creating real impetus for change requires extraordinary, compelling feedback that is clear, insightful, well thought out, specific, and delivered face to face by someone who has observed us in action long enough and thoughtfully enough to tell us something about ourselves that gets our full attention.

Scott sets simple rules for 365 face-to-face feedback:

- Stay current by exchanging feedback 365 days a year.
- Do it face to face whenever possible. (Emails are impersonal, inauthentic and easy to misinterpret.)
- Give it as soon as possible after something occurs.
- Praise is as important as criticism. So don't just give feedback when it's negative.
- Always own your comments. Feedback is invaluable.

The goal of the fierce practice is to have open, honest, face-to-face conversations, 365 days a year, with the people central to your success and happiness, whether you report to them, they report to you, or nobody reports to anybody. Give it and receive it. Set aside rank and title. If what someone does or how they do it impacts you, your coworkers, or your organization positively or negatively, talk with them directly. If it's negative, no saving up, shoving down, keeping a lid on. No waiting until a formal performance review is scheduled. And be just as timely, generous and specific with your praise.

When we stay current with one another, our formal performance reviews will contain few, if any, surprises, because everyone will already know exactly how they're doing.

Welcome input on your own performance, behavior, and attitude. When someone expresses criticism or frustration, say, "Tell me more." And mean it. Don't defend yourself. Ask questions, listen and learn. ❖

CKC's Executive EDGE

Vol. 1, Issue 15

Information and Skills You Need to Get Ahead

Strengthen Your Personal Communication Skills

In This Issue...

Communicating Face-to-Face

When people try to communicate with others, many believe the message is all that matters. But the reality is that communication goes way beyond words, according to John C. Maxwell in ***Everyone Communicates, Few Connect***.

Maxwell references a study by UCLA Psychology Professor Emeritus Albert Mehrabian, which revealed that face-to-face communication can be broken down into three components: words, tone of voice and body language. What may come as a surprise is that in some situations, such as when verbal and nonverbal messages aren't consistent, what people see us do and the tone we use can far outweigh any words we say while trying to communicate.

In situations where feelings and attitudes are being communicated:

- What we say accounts for only 7 percent of what is believed.
- The way we say it accounts for 38 percent.
- What others see accounts for 55 percent.

Amazingly, more than 90 percent of the impression we often convey has nothing to do with what we actually say.

People pick up more than they might think from the way others say things. Tone, inflection, timing, volume, pacing — everything you do with your voice communicates something and has the potential to help you connect to or disconnect from others when you speak.

Persuade Others by Being Self-Aware

To gain skill in persuasion you must first achieve self-awareness. Unless you are aware of your own needs, emotions and communication impulses, you have little chance of seeing other people clearly — much less anticipating their feelings and crafting messages that will appeal to them. G. Richard Shell and Mario Moussa discuss the importance of starting with yourself if you are to understand others in their book ***The Art of Woo.***

Three questions are critical: What is your comfort zone in terms of volume — loud or quiet? Do you have a distinctly self-oriented or other-oriented perspective? What are your preferred channels of persuasion?

One of the more important variables in how you come across to others in persuasion moments is the rapidity and ease with which you can escalate from a normal conversational tone to a tough (or enthusiastic) insistence on your point of view — how much volume you give to your message. Some people find this a natural transition. Others prefer to maintain a more even tone and are not as prone to wide swings in emphasis. Such people are no less passionate about their ideas, but they are quieter by disposition.

Some acts of persuasion are specially tailored to appeal to specific audiences while others are more akin to blunt announcements of the speaker's point of view to whoever happens to be listening. Shell and Moussa call the former

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CKC Concentrated Knowledge Corporation

messages — ones specially tailored to an audience — "other-oriented" persuasion. The latter, unmodified announcements they call "self-oriented" persuasion.

When you are working from the audience's point of view, you are initially focused more on social considerations — existing relationships, the political environment, the channel someone may be tuned to or other people's interests. You then harness these insights to make your message especially appealing to a particular target audience.

When you are working primarily from your own frame of reference, you tend to focus first on your internal perspective — the authority you want to assert, the need you want to express or the evidence you want to demonstrate. Then you put your message out there with less attention to "spinning" it for the particular audience.

You need to understand your natural, preferred persuasion styles if you want to learn how to use those styles to meet different idea-selling changes. Knowing your natural strengths and weaknesses can also reveal the areas you need to study to improve your game.

Knowing your preferred persuasion channels reveals the messages you prefer to send. If you want your message to get across, it is up to you to know which channels you are normally tuned to, which the other side is likely to be listening on, and make any necessary adjustments.

Shell and Moussa have identified six main persuasion channels that dominate when people are selling ideas:

1. Interest. You are engaged in interest-based persuasion whenever you pitch your idea as addressing the other party's underlying needs.

2. Authority. You are using authority-based persuasion whenever you appeal to your formal position, or authoritative rules or policies as a means of getting others to agree with your proposal.

3. Politics. You are using the political persuasion channel whenever you acknowledge that appearances may be as important as substance in your idea-selling strategy, work through coalitions and alliances, or make use of back channels and lobbying.

4. Rationality. You are using rationality-based persuasion when you try to influence someone's attitudes, beliefs or actions by offering reasons and/or evidence to justify a proposal on its merits.

5. Inspiration and Emotion — The Vision Channel. The visionary influence channel includes any appeal to an audience's overriding sense of purpose, values or beliefs as the foundation for selling your idea.

6. Relationships. You are accessing the relationship channel whenever you use similarity, liking, rapport and reciprocity, or rely on your existing network of contacts and friends to open doors as part of an idea-selling strategy.

Selling ideas is not a matter of forcing or coercing people to do things. Woo-based persuasion is about working hard to properly align interests, values and relationships — and sending messages to others on the channels they are tuned to.

Communicating Without Bias

The instant judgments we make about people build on the past. That doesn't mean they're entirely wrong. (In fact, an initial "gut instinct" is often spot-on.) But it means they're not entirely right either, as Mark Goulston points out in ***Just Listen.***

The problem is that while we think our first impressions of people are grounded solely in logic, they're not. In reality, they're a jumbled mix of conscious and unconscious truth, fiction and prejudice. Thus, from the very start, we're dealing with a fictitious creation — not a real person. Yet that first impression will color our feelings about another person for months or years to come. It will also affect how we listen to that person, because we'll distort everything he or she says to fit our preconceived notions.

The solution? Think about what you're thinking. When you consciously analyze the ideas you've formed about a person and weigh these perceptions against reality, you can rewire your brain and build new, more accurate perceptions. Then you'll be communicating with the person who's really in front of you — not the fictitious character conjured up by false perceptions.

What Other People Are Thinking About You

According to Goulston, dissonance occurs when you think you're coming across in one way but people see you in a totally different way. For instance, when you think you're coming off as wise, but people see you as being sly. Or when you think you're coming off as passionate, but other people think you're "over the top."

Dissonance also occurs when you think you perceive someone else accurately, but the other person doesn't agree. There's hardly anything more annoying to another person than hearing you say, "I know where you're coming from," when you don't really

When You're Ready to Explode!

If you're ready to explode at a colleague whose support you're trying to win, follow these six steps offered by Mark Goulston in ***Just Listen*** ("The Six-Step Pause"):

1. Practice physical awareness. Identify sensations like tension, a pounding heart, a craving or lightheadedness. Pinpoint them and give them a name. This will help you control them.

2. Practice emotional awareness. Attach an emotion to the sensations you're feeling. For instance, say to yourself, "I'm very angry" or "I'm desperate." Naming your feeling will help prevent the "amygdala hijack" (when your ability to reason drops drastically, your working memory falters and stress hormones flood your system).

3. Practice impulse awareness. Say to yourself, "This feeling makes me want to _________." Being aware of your impulse will help you resist it.

4. Practice consequence awareness. Answer this question: "If I follow through with this urge, what is likely to happen?

5. Practice solution awareness. Complete this sentence: "A better thing to do would be …"

6. Practice benefit awareness. Say to yourself, "If I do that better thing the benefits will be …"

By the time you get through these six steps, you'll know what you need to do to stay on course and avoid a potentially disastrous meltdown — and you'll be calm enough to listen to your own advice.

Of course, the greatest danger in combat meetings is that you will sabotage yourself.

have a clue. Often this happens when you aren't listening deeply enough to know what the other person is trying to communicate.

Dissonance keeps you and another person from connecting because you're not sending the message you think you're sending. People can't reflect your confidence if it looks like arrogance. They can't mirror your concern if it sounds like hysteria. They can't mirror your calmness if they interpret it as apathy. And, if you're misperceiving them — for instance, if you mistake their legitimate grievances for hysteria — the results can be fatal to a relationship.

How can you know how other people perceive you? Ask your friends or relatives. The quickest way to pinpoint your issues with dissonance is to identify two or three honest people who know you well and whose judgment you trust, and ask them to describe your worst traits. You'll need to have thick skin for this.

How Much Should You Say in a Meeting?

David F. D'Alessandro alerts us in ***Career Warfare*** that meetings are the stage on which you build or destroy your brand.

Staff meetings. Weekly staff meetings can be particularly dangerous. In effect, you are meeting with the people who will be competing with you for raises and promotions in front of the person who decides how much money you make and whether your career goes up or down or out. Regardless of how polite or how helpful your peers are, the environment is essentially predatory.

So what do you do when the boss turns to you and says, "How are things progressing in your department?" Do you hog the spotlight out of a desire to outshine everyone else? Do you decide that this is the moment to argue for something you really want from the boss, a new direction for your department? Either one would be foolish. Both are contrary to the basic premise of a staff meeting.

Staff meetings are a classic show-and-tell with one purpose only: They are an efficient way for the boss to find out what is going on.

If you decide to use a staff meeting to argue for yourself or for a project, you are turning a meeting designed to serve the boss into something self-serving and you will not be popular for it.

Sometimes the best thing you can do for your brand is to accept bad news gracefully.

If you are smart, you say the minimum necessary to suggest that you are making progress without being specific, and you make yourself look like a team player by thanking everyone in the room who has given you any help.

Staff meetings are also the wrong occasion to undercut a peer. The last thing the boss wants to see is the kids fighting. Second, if you build a reputation as someone who takes the gloves off at a moment's notice, you hardly seem circumspect or discreet — qualities you had better attach to your brand if you want the boss to trust you. Third, if you embarrass someone in a meeting, you will make an enemy forever. Fourth, you will create a reputation for treachery even among your better peers.

In the end, organizations are most comfortable with people who are not openly confrontational, but who demonstrate through achievement how much better they are.

Combat meetings. The real combat meetings are those that involve money or approval. You need to be prepared for all meetings, especially combat meetings. It is not enough just to gather the information to make your case. You should also do your best to know the people who will be in the room. Who's smart, who's not smart. Who's powerful, who's not powerful. Who has an agenda, who doesn't. And you need to be mentally ready for the possibility that someone will try to sabotage your plans.

Of course, the greatest danger in combat meetings is that you will sabotage yourself. This happens when you are either unwilling to admit victory or unwilling to admit defeat.

In the first case, you have basically won your point and the boss has understood what you were arguing for right away and has said, "You know what, you're right. I agree with you." But instead of saying a gracious, "Thank you," some people will go on arguing, either because they haven't finished using all the points they have prepared or because they decide to bludgeon everybody with their intelligence. People who do this wind up boring their bosses and tempting them to change their minds.

When the boss says, "Not only do we not have $4 million for this project, but we think we are going to have to ask you to cut $4 million from your budget," you have a choice. Do you go on arguing? Do you take a moral stand? If the decision has truly been made, you will only add some unpleasant attributes to your brand: recalcitrant and difficult.

Or do you accept the loss? Do you say, "I get the message. I'll come back in a week, and I'll tell you what I can't cut and what I can and what the consequences are"? In this scenario, something in your boss's tone tells you not to fight the inevitable, so that is exactly what you say. Sometimes the best thing you can do for your brand is to accept bad news gracefully.

It's How You Say It

Have you ever found yourself making one of the following complaints?

No one pays attention to me.

Other people interrupt me frequently.

People often finish my sentences for me.

People don't remember what I've said.

It seems hard to get anybody motivated.

Renee Grant-Williams offers to help you change that in ***Voice Power.***

So nobody seems to pay attention? Try turning up the volume. Maybe your signal is weak. Maybe it is such an effort to reach out and tune you in that people merely tune you out. If people can't hear you, it's frustrating for everyone.

A weak voice may be perceived as a sign of personal weakness, whereas a strong voice exudes power, authority and confidence.

Alternating the volume of your voice punches up individual words and phrases. Speaking in a very quiet voice has been known to have its own special inverse power and can be very engaging when used by certain people. But it's risky.

Strike a happy balance. Try using conflict and resolution, push-pull, tension and release. Like a great singer, a skilled communicator knows how to build. Dropping off before you finish will rob your voice of conviction.

Sometimes you need to sound calm and steady, even when you're not. Taking a moment to center yourself will keep anxiety, anger or frustration from showing in your voice. Concentrate on passive breathing and low support. Don't simply count to ten, take ten low breaths and use this moment to reaffirm the support muscles you need for steadying your voice. Shallow breathing and a lack of support give the impression that you don't stand behind what you're saying. Good technique makes you sound committed.

Pauses separate words into digestible units of information and draw focus to the main points of the message. Whenever you make them wait for something, people always listen more carefully.

Different tempos are appropriate for different situations. To draw attention to major points — slow down. If you want to set your listeners up for something important, pick up the tempo before you make that point — pause — and then slow down to deliver it. Carry your listeners forward and then make them wait. It's classic tension/release at work.

As Grant-Williams points out in the epilogue of ***Voice Power***, every voice has a so-called thumbprint or an identifying sound. And, just like the background music that underscores the action in a movie, that sound sets the stage for effective communication.

In your personal life, a dynamic speaking voice is an asset. In business, it is crucial. Regardless of your job title, your voice makes an indelible impression on everyone you encounter and is central to the image you project in the business world. Remember, it's not always what you say, but how you say it, that counts. Worthy people are often overlooked because their speaking skills represent them poorly. ◆

Sometimes you need to sound calm and steady, even when you're not.

Body Language Don'ts

Negative Gestures to Avoid at All Costs from ***Leadership Charisma***

Here are some classic negative gestures that you will notice in others around you. Most of them are so obvious that no one allows himself or herself to use these gestures consciously. That's the danger of these "tells" — most of them are used completely unconsciously. You need to become conscious of your every gesture, and, if you spot one of these, you need to work on consciously eliminating it.

• **Hands near your face:** Rubbing your eye or touching your nose, ears, hand or neck as you speak. Touching your nose is the typical "I'm lying" gesture you'll see detectives in TV cop shows use to identify guilty suspects (despite the fact that lying is notoriously difficult to recognize definitively from gestures or body language alone).

• **Hands over mouth:** This says, "I'm not sure of what I'm saying" or "I'm trying to deceive."

• **Arms crossed:** This is one of those postures that everyone has read about in relation to body language. Some cultures read this as defensive and closed, even though some people use it simply as a perfectly comfortable resting position. In general it is a defensive posture only when it occurs suddenly in reaction to some external stimulus — something someone has said or done. Arms suddenly folded and locked tightly are clearly defensive. For the simple reason that it could be misunderstood by amateur body-language readers as defensive, closed or negative, it's best simply to avoid using this gesture.

• **Objects in front of your body:** PCs, desks, lecterns — anything that creates a distinct separation between you and others again indicates defensiveness. Don't hide your solar plexus.

• **Hands in pockets:** Something to hide.
… and rattling your change: Nervous and ill at ease.

• **Clenched fists:** Obviously anger, right? Many people unconsciously clench their hands and signal anger or displeasure they have otherwise managed to conceal. Be aware of it and don't let it slip in unconsciously.

• **Drumming fingers or tapping toes:** Impatience: "Aren't you finished yet?" Another behavior that many people exhibit unconsciously — and that signifies irritation very clearly.

• **Pointed forefinger:** This is threatening, aggressive and overly authoritarian. No one likes to be pointed at in this manner.

• **Checking your fly, playing with your watch, shooting your cuffs, straightening your tie, or white knuckles on the lectern prior to speeches and presentations:** Nervous and unsure of yourself. Shoot your cuffs, straighten your tie, adjust your watch before you take the stage.

• **Hands on hips:** This can be used to signal power and readiness but is frequently read as aggressive. Be careful.

• **Arms behind your back:** This strongly sends a "stay clear" message — "I don't want to make contact with you or talk with you." If that's the message you want to send, that's fine. If not, be cautious.

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About ***Leadership Charisma***: In this book you'll read how new research with more than 40,000 leaders worldwide shows precisely what successful charismatic leaders do to develop their personal and commercial charisma. Learn more at *www.leadership-charisma.com*.

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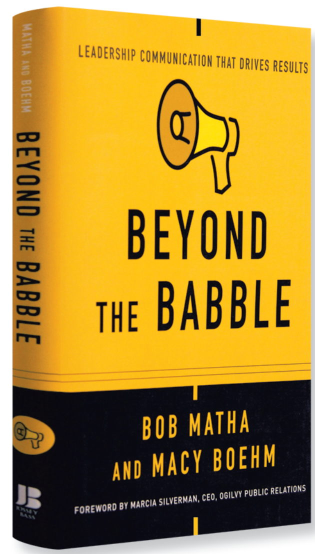
Leadership: Strategies



Beyond the Babble

Leadership Communication That Drives Results

by Bob Matha
and Macy Boehm

THE SUMMARY IN BRIEF

The CEO takes the podium and begins to speak. It's a polished presentation and he looks impressive. As he talks, people nod their heads in apparent agreement, but after the applause dies down, the painful truth is revealed. His message didn't get across. It was all just so much babble.

Leadership communications experts Bob Matha and Macy Boehm offer a strategic plan for addressing one of the most difficult challenges any business leader can face: engaging employees to take action. Written for all those who lead groups — including supervisors, managers, HR and communications professionals, executives and CEOs — this practical resource describes how to put in place proven communication principles that do just that. Matha and Boehm's "On Strategy" communication plan focuses on one critical employee question: What do you want me to do? And it gives leaders the tools they need to mobilize a team of 10 or an organization of thousands.

Filled with examples from the world's top companies, *Beyond the Babble* explores the critical role communication plays in driving performance, how to leverage it and how best to measure results.

IN THIS SUMMARY, YOU WILL LEARN:

- How to clarify direction to the organization and make it relevant to employees.
- How to prepare leadership — from top to bottom — to deliver direction and engage employees.
- How to communicate to the larger organization about strategy through an ongoing "conversation" with and among employees.
- How to get business results by improving communications.

CONTENTS

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THE COMPLETE SUMMARY: **BEYOND THE BABBLE**

by Bob Matha and Macy Boehm

The authors: Bob Matha and Macy Boehm are principals and co-founders of Basics 3, a leadership communications and employee engagement firm headquartered in Chicago, and they also provide counsel to clients of Ogilvy Public Relations Worldwide. Matha and Boehm have been featured speakers at the Arthur Page Society and the Advanced Learning Institute.

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For additional information on the authors, go to http://my.summary.com

The Power of Communication

Babble is big in business today. It's the tendency for executives to talk about important issues in convoluted, evasive or empty terms, and it's evident every day in the newspapers and on television. However, it's much more insidious inside companies than outside them. It corrodes an organization's ability to achieve results, derailing leader and employee alike.

Babble is a key reason behind employee antipathy toward management and apathy about strategy execution. More than half of employees in the United States are "not engaged" in their work, according to Gallup Research. They take a wait-and-see attitude toward their jobs, and results suffer. Even more detrimental to performance is the approximately 15 percent of employees who are "actively disengaged." According to Gallup, "These employees aren't just unhappy at work; they're busy acting out their unhappiness. Every day, these workers undermine what their engaged co-workers accomplish." According to Gallup's Curt Coffman, a key problem is a lack of clear communication from leadership.

Babble isn't a challenge just for senior executives. Functional leaders, middle managers, team leaders, frontline supervisors — anybody who needs to lead people to get things done can be sidelined by babble.

On Strategy Communication Cuts Through Babble

On Strategy is a term for effective leadership communication. It explains where the company is headed and how it will get there, what employees need to do to make it happen and why it's important to the business and to them. It's about the business and the realities that affect it.

On Strategy communication frames complex business direction in simple, straightforward, motivational terms, so everybody, from the CEO to frontline supervisors, can understand and discuss it. As a result, On Strategy communication makes strategy the topic of conversation in an organization, as employees and managers alike engage in an ongoing conversation about how to execute plans to achieve common goals.

The heart of On Strategy communication is in leaders and employees talking to each other — every day — about strategic information and perspective that help them do their jobs and do them well. It depends on not only senior executives, but also leaders up and down management ranks — including frontline supervisors. Local leaders are critical because they have continuous and direct interaction with employees. They also are the people best equipped to translate strategy into actionable terms for employees.

What Do You Want Me to Do?

On Strategy communication thrives on simplicity. People focus well on a handful of priorities, but they lose their way if the list is too long. On Strategy communication focuses on answering one critical employee question: What do you want me to do? Then it motivates them to act.

On Strategy communication is emotional. People talk about — and execute — what they care about. Employees in every organization have some sort of motivational connection to their work. Good leaders tap that connection to drive action. It's what gives work a special meaning.

The On Strategy approach requires leadership com-

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Rebecca S. Clement, Publisher; **Sarah T. Dayton**, Editor in Chief; **Christine Wright**, Senior Graphic Designer; **Chris Lauer**, Contributing Editor

mitment, process and discipline. The On Strategy approach is a specific leadership activity. The communication and human resources departments can help orchestrate leadership communication, but the ultimate accountability lies with the leaders themselves.

On Strategy Communication: An Overview

The On Strategy philosophy, process and tools provide leaders with a way to improve communication. It not only delivers leadership's message to the organization so it is inescapable, but it also makes strategy the topic of conversation from the meeting room to the water cooler to the assembly line. The On Strategy approach organizes and articulates leadership's direction so employees can hear it and understand what they are supposed to do. It makes strategy accessible and tangible for employees and connects it to employees' motivations so they take action. Finally, it orchestrates communication as a business process and management discipline.

Leaders implement On Strategy communication in three steps. Step One ensures that leadership's message is about strategy, understandable, relevant and motivational. On Strategy content is driven with the *Action Equation: Know + Feel = Do*. This equation is simple: What people know, plus what they feel, inspires them to take the right actions to execute strategy. With this in mind, On Strategy communication first determines what employees have to know and feel in order to act. Then Steps Two and Three prepare for and orchestrate how leaders actually communicate. Through a discipline called the *People Channel*, leaders from the CEO to frontline supervisors engage employees in conversations to deliver direction, perspective and information, and to pull feedback up from the ranks. In this way, On Strategy communication helps leaders lead.

The Action Equation

The Action Equation organizes *what* leaders need to communicate to employees. It begins by focusing a leader's thinking on what employees need to *do* to execute strategy or support the company's position on an issue. Then it expands that thinking to address what employees need to *know* and *feel* so they take the right actions. Moreover, it helps identify what is critical to communicate, and it filters out communication that wastes time, or worse, could be counterproductive to driving action and results.

The Action Equation involves research and analysis done *before* communication begins. Building the Action Equation can take some time, but if you skip the work required to adequately inform all three parts of the equation, your communication will be less effective, and you will miss a valuable opportunity to drive execution and results.

Here is how it works:

• **The Action Equation Begins With *Do*.** Informing the Action Equation starts with a leader determining exactly what he or she wants the organization to accomplish and, just as important, what employees need to do to make it happen. On Strategy communication seeks a simple, clear answer to two key questions every employee is really asking: What are we trying to accomplish, and what do you want me to do?

• ***Know* Creates Understanding.** Leaders inform the *Know* portion of the Action Equation as they determine what they need employees to *Do*. When they frame this direction in the context of the overall organization, they also "connect the dots" for employees between what individuals are doing, what the larger organization is doing and what's happening outside the organization. Employees need to know what to do and why it's important.

• ***Feel* Drives Action.** Employees in nearly every situation can have a connection to their work that gives it special meaning. It's about more than pay, recognition or opportunity (although those things are important). It involves what people do because they want to do it, not just because they are paid to do it. These intrinsic motivations can include an affinity for customers and products, energy around the substance of the work itself or the relationships employees have with their teams.

The People Channel

On Strategy communication aligns leaders up and down an organization — the People Channel — to deliver a consistent, strategic message to employees. More than that, it equips them to deliver information in conversation, in the context of local work issues and "in the moment" when employees ask questions and are making decisions about their work.

The People Channel generates an active interchange of knowledge and ideas among employees and leaders, rather than a passive cascade of information. It provides processes and tools to help engage leaders and employees in an ongoing conversation about strategy, so people have an opportunity to increase their understanding of strategy and offer their ideas and perspectives on how to improve and execute it better.

Do: What Do You Need Employees to Do?

Effective direction begins with telling employees what the organization needs to accomplish and how, and what employees need to *Do*, which is one part of the Action Equation: Know + Feel = Do. It's very actionable — the difference, for example, between telling the sales force they need to increase revenues by 10 percent (an outcome) and telling them they each need to make 200 additional sales calls (an action). Good direction also makes the tough decisions between priorities, as opposed to putting them all on an equal footing and making employees decide, when they come into unavoidable conflict, which is more important.

For example, good direction tells employees that ultimately quality is more important than volume, customer satisfaction is more important than cost reduction and growth is more important than margins (or vice versa), so they make the right decisions when they have to. Finally, good direction also includes specifics around critical outcomes of non-negotiables, such as safety, maintenance, customer satisfaction and ethics. These are the kinds of things that leaders may assume they can take for granted but can be compromised as employees pursue other goals — sales, returns, efficiency and the like — that are more dominant in communications (and in performance management tools, recognition, advancement, and so on).

Simplify Direction

Business plans usually outline all the goals, objectives, strategies, initiatives and resource allocation. Because of their complexity and length, they are not good communication documents (even though they may be great planning tools). Therefore, leaders must simplify direction into a handful of key concepts they must communicate. In fact, good direction usually can be distilled into a message of 500 words or less, one that simply tells employees what the organization needs to accomplish and how, and what the employee population is supposed to do.

Good leadership direction is about what leadership does, not just what it says. Words and actions have to match. This means the objectives leadership stresses in communication must be backed up by resource allocation, initiatives, attention and compensation — the concrete actions employees see that make the talk walk.

Know: What Do Employees Need to Know to Take Action?

Everybody in an organization should know where the company is headed and how it's going to get there. Some employees, however, need to know more in order to do their jobs. Leadership must communicate on strategy to those groups in deeper, more actionable terms.

Ensuring that employees know what they are supposed to do is an essential role of leadership communication. If leaders communicate this alone, they will be ahead of many companies. But there's more to leadership communication than that. Employees need to know the reasons behind goals and strategies. Answering their "why" questions helps reduce the distractions that come when they try to figure it out themselves.

Employees want to understand not only why certain strategies were chosen by leadership and how those strategies are intended to benefit the business, but also how execution against the strategies will benefit them personally — the eternal "What's in it for me?" The reasons could be financial requirements, competitive factors, societal issues, industry trends or customer trends. Relevant answers to the "why" questions can build confidence in leadership in the minds of employees and give a context to strategy that helps employees make decisions and trade-offs when they're needed.

Determine Who Needs to Know What

Every leader in an organization should know the organization's strategy. In addition, certain groups of employees have a disproportionate impact on the execution of certain strategies, and leaders must consider this as they communicate. Some people need to know more detail than others. Research and development people, for example, have a significant impact on strategies involving innovation and product leadership. Employees in manufacturing have a significant impact on quality and cost strategies. Leaders must consider this in developing their communication to ensure that specific groups have the opportunity to understand strategy at the level appropriate for their roles.

Conversations about strategy among leaders and employees not only help the employees be more effective in their jobs, but also bring insight and information on strategy and its execution to leaders.

Feel: What Do Employees Need to Feel to Take Action?

Emotional communication is anything but soft and fuzzy. Take the Marines. As a matter of doctrine, they build in their "employees" an emotional commitment to their teams — the frontline squads that form the backbone of the fighting force. From the time a Marine first puts on a uniform, his or her drill sergeant begins to instill that commitment to team, along with other emotional connections to the organization such as pride in the Corps and elitism. That commitment goes well beyond the "rational" reasons why a soldier should walk into harm's way — to achieve mission objectives, to protect the country and others. Actually, the fundamental reason men and women risk their lives in battle is because of the men and women who surround them. They do it for each other, for the team. If emotion isn't soft and fuzzy to the Marines, surely every business leader can embrace emotion as a legitimate part of leadership communication.

Leverage Intrinsic Emotional Connections

The rational elements of leadership communication are just one piece of the puzzle. Truly effective leaders also seek to understand and leverage the intrinsic emotional connections employees have with the company and their work. People will work for a paycheck, but they'll die for a cause — and every organization can find a cause.

Nearly every job — even assembly line work and flipping burgers at a fast-food restaurant — has a motivational connection for employees. It might involve being part of a team, making cool products or saving lives, but *something* can motivate an employee to do more than just clock in. It's a leader's job to find out what that is and tap into it by connecting strategy execution to that intrinsic motivation. That intersection between strategy and employee motivation is a key to performance. Communication can leverage it to drive results. ●

The 'Why Nots': What's Getting in the Way?

A person's *experiences* shape his or her *beliefs*, which shape his or her *behaviors*, which drive *results*. These linkages make up the Behavior Chain. Leadership must consider the Behavior Chain in developing On Strategy communication. It provides the insights necessary to address the reasons why people don't take action — the "why nots."

Two Common 'Why Nots'

Analysis of the Behavior Chain reveals a number of "why nots." Employees cite experiences that shape beliefs that make it difficut for them to change their behavior in order to follow leadership's direction. Two prevalent beliefs are as follows:

• ***"This will pass, just like the last program of the month."*** This belief blocks leadership's attempts to drive new behaviors, as employees continue past practices while waiting for new strategies to die on the vine.

• ***"They didn't ask me, so why would it work?"*** This is what employees often say about strategies developed for their work areas without their input. Experience tells them that the programs don't work well when they have not been involved in developing them. Even if they might work, employees often undermine them because they were not included in the process, and the expectation of failure becomes a self-fulfilling prophecy.

Just as there are reasons why employees will take action, there are reasons why they won't. These are the "why nots." They often involve deep emotions around employee perceptions of management regarding issues such as trust, commitment and competency. "Why not" issues are a significant challenge to employee motivation and a barrier to strategy execution.

The Behavior Chain

The "why nots" usually can't be talked away. When employees believe they have been lied to by management, for example, leadership can't simply say "Trust me" and expect employees to respond with the needed behaviors. Instead, leaders must address the root cause of the belief, identifying the experiences that shaped the negative belief about trust. This connection between experiences, beliefs and behaviors is the Behavior Chain.

Leaders can get a picture of their employees' beliefs and how they affect behavior and results by reviewing many of the responses on their employee surveys as well as by conducting qualitative research among employees, typically through discussion groups.

The Experience Link

To reverse a "why not," leadership must address the experience link in the Behavior Chain. For example, to overcome the barrier of established mistrust, a leader might begin by telling employees that he or she will always tell the truth in a straightforward manner. Then the leader must prove it through visible, demonstrable actions — telling the truth about difficult subjects, for example. Finally, the leader must remind employees that he or she told the truth. This words-actions-words cycle creates a new experience for employees, which in turn shapes a new belief. After enough cycles of telling the truth (and reminding employees of it), employees will begin to trust leadership's words again.

Leaders have been successful using this approach to address a wide variety of "why nots." Removing the "why nots" as a factor in the minds of employees puts leaders firmly on the path to successful strategy execution.

Package: Turn the Action Equation Into a Conversation

Effective communication happens in the moment, when people are talking about the business and making decisions in their work areas. To enable leaders — from the CEO to a frontline supervisor — to communicate about strategy in the moment, they must be equipped with a message they can remember and deliver. That means the message has to be short — about five chunks of information. This five-chunk limit is driven by human short-term memory capacity.

The Conversation Platform

The five chunks must be constructed to cover the key points of the Action Equation in the form of a very short story, not a separate laundry list of thoughts. The information must be articulated in the vernacular of day-to-day conversation, not corporate language. In fact, the chunks should be viewed as concepts employees can put into their own words, as opposed to lines of a script or slogans. This overall story is the Conversation Platform.

The Conversation Platform is one of the most valuable and versatile tools leaders have at their disposal to improve leadership alignment and communication throughout the organization. It simplifies concepts to a point where they are easily remembered and articulated by top leaders, managers, supervisors and employees alike. It enables all leaders to boil down the essence of where the organization is going and how it's going to get there (or to discuss complex, difficult issues facing employees and the business) in a short communication that could be delivered in an elevator ride or form the basis for a three-day conference on strategy and issues.

Align: Make Sure All Leaders Are On Strategy

Top leaders need help communicating with their organizations — they can't do it alone. Therefore, a leader must align his or her leadership group behind strategy and communication, starting with top leadership and then extending the alignment all the way down to frontline supervisors. Without this kind of alignment, employees head in different directions, work at cross-purposes and derail strategy execution.

The first step in aligning leadership behind strategy and communications is to begin with the senior leadership team. Experts recommend enlisting the help of a seasoned, trusted facilitator to interview each member of the leadership team, using the Action Equation as a basis for intake. These intake sessions identify differences in understanding, perception, philosophy and other factors that may divide the leadership team. They also will uncover deeper motivational issues around trust and commitment that can inhibit collaboration. The output from these meetings helps drive productive discussion among the top leaders to resolve their issues and get on the same page.

Test Messages in the Field

Once top leadership is aligned, take messages (in the form of the Conversation Platform) to the field and test them with line managers and supervisors. This determines whether line managers will support the strategy and how leaders want to communicate it.

Just as a good marketing company wouldn't introduce a major new product without testing it with customers, leaders shouldn't take important messages to the organization without first ensuring that they will work. In working to align the organization behind the strategy, don't miss one of the most important constituencies — the informal leaders to whom those individuals turn for information and perspective. They may or may not be found in the leadership boxes on the organizational chart, but their influence in the organization is undeniable.

Equip: Give Leaders the Tools They Need to Communicate On Strategy

Businesses train top leaders, managers and supervisors in many things, but seldom provide training about strategy and how to communicate it. Train with this purpose. This isn't skill training, but content training, and as such should be a prerequisite of any leader's participation in the management of the business. Moreover, because it's content training — it's about strategy — leaders should be active in delivering the training.

Develop a training approach organized around the Conversation Platform and Action Equation, focusing on the core message or "cause," the building blocks and the proof points. This helps create a common understanding and delivery method for strategy communication (it also helps deepen the understanding managers and supervisors have of strategy). With the platform as a foundation, the training should be used to:

- **Develop a solid understanding of strategy among managers and supervisors.**
- **Ground leaders in what the Conversation Platform is and how it's used.**
- **Build understanding of the communication processes the organization will use to communicate strategy and support managers.**
- **Get feedback.**

In addition to training, provide ongoing communication support tailored specifically to managers and supervisors. This includes a communication process or vehicle to keep them updated on strategy so they know news before the rest of the organization and therefore can help communicate and provide perspective. This should include the opportunity to ask questions. Concerning skills training, focus on interpersonal rather than communication techniques. Improving in that area will provide the most benefit, because On Strategy communication asks people to talk to each other not just make presentations and speeches.

Some managers will not become effective enough in communication to deliver On Strategy messages — at least in time to have an immediate impact on performance. In those cases, pair those managers with others who are effective communicators. That way the leaders serve immediate communication needs relative to performance, help the deficient leader learn how to communicate better and show the rest of the organization that communication is recognized as a critical leadership capability.

Drive and Support: Orchestrate and Sustain On Strategy Conversation

Once you have informed the Action Equation, built a Conversation Platform, trained and equipped your managers and launched the People Channel, it is time to kick-start communication and step on the gas. This happens through the various communication channels available in most organizations, which include traditional communication vehicles — such as the company newsletter, intranet and town hall meetings — as well as the operating vehicles that managers and supervisors use to run the business, such as departmental meetings, reporting documents, memos and e-mail.

To communicate on strategy, you can use these vehicles to produce a continuous drumbeat of information about strategy (based on the Conversation Platform) and occasional campaigns that turn up the volume of communication for specific, short-term purposes. You can create a drumbeat by keeping the content of every vehicle related to and in support of strategy. Even simple communication such as a personnel announcement can contribute to the drumbeat and reinforce the Conversation Platform. By setting up a communication calendar to track all of the organization's key deadlines, activities and events, you can use every opportunity to its fullest.

Generate Conversation

As you create the drumbeat, it's important to use communication that generates conversation by its nature — communication that has some level of controversy or is provocative, not the normal fare. The On Strategy approach is an ongoing conversation with employees, not a monologue, and the best vehicles generate and promote that conversation.

The communication department is a valuable resource in delivering On Strategy communication and achieving business results if you establish and use it strategically. It's best to populate the communication function with people who are both good businesspeople and passionate about communication. The combination can be very powerful in driving new thinking about the role communication plays and how leaders use communication to deliver business results. Communication people also provide valuable tactical support in delivering communication.

Involve People in the Entire Process

To make the most of your communication people, you should involve them in the entire process of strategy development, so they can contribute to and understand strategy in the deepest ways. Understanding strategy helps them prioritize their work and concentrate on strategic essentials as opposed to providing communication support and services. Tying their advancement and compensation to business results, rather than intermediary communication results or the production of materials, puts them in the lifeboat with you, where they belong and can help the most.

How Top Leaders Manage the People Channel

When managing the People Channel, top leaders focus on:

• **Measurement.** The ultimate measurement tools are your business metrics. Communication should influence results, or it will not (and should not) be a priority. Relate communication to performance metrics.

• **Reward, recognize and hold accountable.** It is important to follow up with employees with the proper rewards, encouragement and reinforcement. Recognize managers who are setting an outstanding example.

• **Prioritize.** Beyond managing the People Channel, a leader must also manage his or her own communication focus and activity. This begins with prioritizing where the leader spends time and resources.

• **Lead by example.** Top leadership must provide clear and consistent alignment at the top of the organization. Few things are more likely to discourage a manager from communicating with his or her employees than confusing and contradictory messages from leadership.

You: The Top Leader's Role

The People Channel is the sum of its parts: all of the managers and supervisors up and down the leadership ranks and informal leaders in and out of management. Its effectiveness is a direct result of top leadership's commitment to it. The People Channel spreads the responsibility for strategic communication across all leaders, thereby making communication more effective and less of a burden on top leadership. However, the top leader's role is indispensable in forming, shaping and sustaining the People Channel. In that role, top leaders must manage the People Channel, beginning with setting high expectations.

Never Assume and Always Monitor

You must outline the specific actions you expect managers to take at every communication juncture.

It's important to be specific about expectations for each major communication action. For example, if you are providing an update on your organization's performance and want managers to first attend a meeting with you to review and then sit down with their employees in small groups to review and discuss the information, tell them that. Don't assume they know what the next steps are just because you've done it a certain way in the past. Accompany each major communication opportunity with a clear set of expectations, as well as a process to determine whether or not managers and supervisors meet those expectations.

Orchestrate Communication Delivery

In addition to setting expectations for major communication events, top leadership must also lead by example as active members of the People Channel and participate in the campaigns required to drive On Strategy communication. At the same time, top leaders must play a visible role in managing the People Channel. That involves establishing measurements, allocating resources, recognizing good communication performance and making communication a priority task, not only for the organization, but also for you.

'How to' Resource Guide

There are a number of processes that help leaders deliver on the On Strategy approach. Here are two of these "how to" processes:

• **Conducting discussion groups.** Use discussion groups as a research tool on a frequent and ongoing basis (so long as you do something about the findings and tell employees that you did). To lead the groups, it usually makes sense to use a third-party facilitator from outside your direct business or organization. An unbiased party helps to encourage dialogue that is more open.

• **Identifying informal leaders.** Incorporate informal leaders into the People Channel in a number of ways: as people to bounce ideas off of, to provide ongoing reality checks, as part of the day-to-day communication process and more. Informal leaders in your organization can be identified by asking yourself: Who do I go to for the inside scoop, and who do I listen to and trust — at every level of the organization? Then ask the same questions of others in your organization. If you follow that path, you'll quickly identify the informal leaders in your organization.

Walk through the physical space to see which vehicles will work best to trigger conversations. The opportunities are plentiful. There's no substitute for the real thing — so experience it with a real visit.

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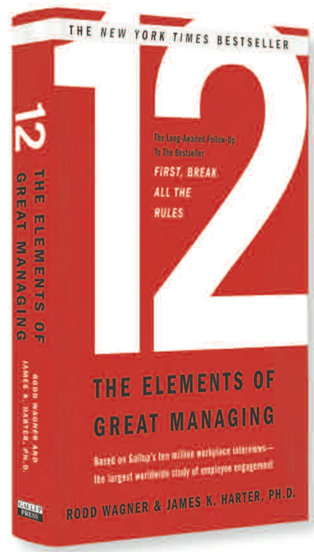
Management: Hands-On

12: The Elements of Great Managing



by Rodd Wagner and
James K. Harter, Ph.D.

THE SUMMARY IN BRIEF

How do great managers inspire their employees to achieve top performance? In *12: The Elements of Great Managing*, authors Rodd Wagner and James K. Harter, Ph.D., challenge conventional ideas about managing for corporate success and delve deep into the motivating factors behind a worker's productivity. Using data collected and analyzed by The Gallup Organization, the authors are able to show how employee responses to 12 simple statements about work life directly correlate to the most important aspects of a company's success.

Wagner and Harter convincingly demonstrate that to effectively manage a company's "human resources" requires more than hiring talented people to "do a job." Written for managers and employees of companies large and small, *12* explains what every company needs to know about creating and sustaining employee engagement. Ultimately, it is only through great management that a company can see measurable results in its productivity, profit, attrition rates, customer satisfaction, work-related absence and on-the-job accident rates.

More than a decade ago, The Gallup Organization combed through its database of more than 1 million employee and manager interviews to identify the elements most important in sustaining workplace excellence. These elements were revealed in the 1999 bestseller *First, Break All the Rules*. This summary covers the long-awaited sequel.

IN THIS SUMMARY, YOU WILL LEARN:

- What the 12 Elements of Great Managing are and how they relate to profitability.
- How having a friend at work can be extremely beneficial to corporate productivity.
- Why it's not just about having the right materials for the job but also about having a choice.
- Why it's crucial for employees to feel that someone cares about them.
- How productivity and financial success are correlated to employee engagement.
- What it takes to be a great manager.

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THE COMPLETE SUMMARY: **12: THE ELEMENTS OF GREAT MANAGING**

by Rodd Wagner and James K. Harter, Ph. D.

The authors: Rodd Wagner has worked for The Gallup Organization since 1999. As a principle of Gallup, he interprets employee engagement and business performance data for Fortune 500 companies. James K. Harter, Ph.D. is The Gallup Organization's chief scientist and has authored or co-authored more than 1000 research studies. Harter has been with Gallup since 1985 and his research was popularized in the book *First, Break All the Rules* and has been featured in such publications as *USA Today, The Wall Street Journal* and *The New York Times*.

12: The Elements of Great Managing by Rodd Wagner and James K. Harter, Ph. D. Copyright © 2006 by The Gallup Organization, Washington, D.C. Summarized with permission of the publisher, Gallup Press, 203 pages. $25.95. ISBN 978-1-59562-998-2.

The History of 12

More than a decade ago, The Gallup Organization assembled a select group of social scientists to examine the 1 million employee interviews in its database, the hundreds of questions that had been asked over the preceding decades, and every variable on business-unit performance that organizations had supplied with their employee rosters. This data was analyzed to find which survey questions — and therefore which aspects of work — were most powerful in explaining workers' productive motivations on the job.

Ultimately, 12 elements of work life emerged as the core of the unwritten social contract between employee and employer. Through their answers to the dozen most important questions and their daily actions that affected performance, the million workers were saying, "If you do these things for us, we will do what the company needs of us." These "things" are represented in the 12 Elements of Great Managing and are directly correlated to employee performance and company health.

The First Element: Knowing What's Expected

Because so much of an enterprise's efficiency depends on the seamless combination of personal responsibilities, the First Element of great managing is job clarity.

When Gallup researchers went in search of ("agree or disagree") statements most predictive of performance, one of the most straightforward turned out to be one of the most powerful: "I know what is expected of me at work." Groups that have high scores on this item are more productive, more profitable and even more creative. Substantial gains on the First Element alone often correlate with productivity gains of 5 percent to 10 percent, thousands more happy customers and 10 percent to 20 percent fewer on-the-job accidents.

"Knowing what's expected" is more than a job description. It's a detailed understanding of how what one person is supposed to do fits in with what everyone else is supposed to do, and how those expectations change when circumstances change. A good team, some say, is a lot like a great jazz band in which each player listens to the other instruments while playing their own. The better they pay attention to the rest of the band and work their way into the music, the better the result.

It's More Than Talent

Superior performance is dependent on more than individual talent and knowledge of the job alone, it is dependent on teamwork. Consider what can be learned from professional basketball: Viewed through a business statistician's eyes, the National Basketball Association (NBA) is a perfect laboratory to study not just teamwork in basketball, but teamwork itself.

Three management professors dove into NBA statistics to see whether, above and beyond individual talent, playing together improved a team's performance When they analyzed the data from 23 NBA teams from 1980-1994 they found that the greater the stability of a team's roster — fewer trades moving players on and off the team — the better they played.

More than each player knowing his or her job in isolation, a better team record also depends on the players learning hundreds of nuances and patterns in their teammates' play. This "tactic knowledge," wrote the professors, is a keen awareness of each others' styles and "must be learned

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through experience," and "It is only through actually playing together that each member of the team accumulates the stock of tactic knowledge about the game play of other members of the team that enables such synchronicity."

The Second Element: Materials and Equipment

The importance of the Second Element of great managing, ensuring employees have the materials and equipment they need to do their work well, is best illustrated by its converse. When employees lack the means to do their work well, frustration with their inability quickly follows, as does anger with the company for placing them in such a difficult spot. From a purely functional perspective, having the right tools makes a job safer, easier and more productive. Equally important, the employees' perception that the company backs them up with the equipment they want and need serves as a powerful psychological motivator.

Workgroups for which materials and equipment are managed most effectively average higher customer engagement and higher productivity than their peers. They also have significantly better safety records and their employees are less likely to flee to other organizations. Those managers with bottom quartile Second Element scores average 20 percent to 40 percent higher employee attrition than top quartile managers, representing millions of dollars in direct and indirect turnover costs.

It's Not Just About the Materials

In the database, less than one-third of employees strongly agree that they have the materials and equipment they need to do their work well. There is a wide range on this item: the most engaged workgroups are nearly unanimous in their positive responses to the question, while the least engaged have no one who feels well equipped for the job. The most peculiar wrinkle in the data is that even in highly legislated environments where nearly identical workgroups are given the same machines, cash registers, office supplies and tools, the opinions of the employees vary.

The secret lies in the involvement, judgment and action of front-line managers. Less-engaged workgroups typically say that they were supplied with the standard toolkit in a standardized fashion: "Here's what you get. Make the best of it." The most engaged employees say their manager made what turned out to be relatively minor accommodations, aggressively petitioned for more expensive tools when the business case was strong and was generally vigilant in looking for new ways to make the team more effective.

Solving Second Element Issues

It's not unusual for a workgroup to have one or more Second Element issues that can be fixed only with the authority or money from corporate headquarters. In other circumstances, managers are able to manage Second Element concerns by making individual accommodations to employees. This allows employees to pick from a variety of choices: the cell phone that works best for them, for example; or a modification of the standard software in a laptop to meet an employee's working style, talents or work demands.

The Third Element: The Opportunity to Do What I Do Best

Matching a person to the right job, or a job to the right person, is one of the most complicated responsibilities any manager will face.

The Third Element emerged from the ability of a straightforward statement to predict the performance of a given worker and entire teams: "At work, I have the opportunity to do what I do best every day."

When employees talk about what they do best, they rarely frame the discussion in terms of a job description. Certainly people can form attachments to their professions to the point that being a salesperson, professor or nurse becomes part of their self-image. Their talents, however, being more an instinctive part of them than any specific job, are transferable from one position to another, even across industries.

Commonly, two people in ostensibly identical roles who, by virtue of "doing what they do best," perform in quite different fashions — one a banker who loves the business because he gets to work closely with people in his town; another a natural capitalist who can't imagine not being involved in the constant movement of stocks, interest rates and precious metals prices.

Maximizing Employee Talent

To get the most from a team, a manager must help each employee mold the job around the way he or she works most naturally, maximizing the frequency of optimal experiences in which the worker loses him- or herself in the work, is internally motivated and is naturally gifted. The manager must also realize that as long as the employee accomplishes the goals for which he or she is responsible, without any harm along the way, how it gets done does not matter. Acknowledging one's greatest natural talents and weaknesses does not mean accepting a narrow set of career possibilities. Rather, it means each employee will succeed in a relatively unique way, applying his or her own style to the accomplishment.

Predicting Profitably

The Third Element is powerful in explaining not only productivity, but also the future profitability of teams within companies. Business units in the top quartile of Gallup's database on the "do what I do best" statement exceed the profits of those in the bottom quartile by an average of 10 percent to 15 percent. A recent analysis of multiple studies reveals that managers whose talents are aligned with their job demands achieve, on average:

- 15 percent more in sales
- 20 percent more in profit
- 24 percent fewer unscheduled absences
- 13 percent lower employee turnover.

But for all the evidence that this approach is good for business, only about one in three employees can strongly agree that they "have the opportunity to do what they do best every day."

The Fourth Element: Recognition and Praise

To reach their full potential, employees need recognition and praise, the Fourth Element of great managing. Generally, in the perception of employees, praise is painfully absent from most companies and the workgroups within them. Less than one in three employees can give a strongly positive answer to the statement, "In the last seven days, I have received recognition or praise for doing good work."

Employees who do not feel adequately recognized are twice as likely to say they will leave their company in the next year. Those who score the Fourth Element highest are two-and-a-half times more likely to agree that "from my most objective viewpoint, I am paid appropriately for the work I do" than those at the other end of the recognition scale. Variation in the Fourth Element is also responsible for 10 percent to 20 percent differences in productivity and revenue, and the acquisition and retention of thousands of loyal customers to most large organizations.

Positive Words and Dopamine

Dopamine is a neurotransmitter (a chemical that sends a signal from one part of the brain to another) that creates a feeling of enjoyment and satisfaction. Studies have implicated that dopamine is part of the mechanism behind enjoying good tastes and smells, receiving money and even seeing a pretty face. "At a purely chemical level," said *Time* magazine, "every experience humans find enjoyable — whether listening to music, embracing a lover or savoring chocolate — amounts to little more than an explosion of dopamine in the nucleus accumbens, as exhilarating and ephemeral as a firecracker."

People who alter their behavior to get those delightful bursts and positive words specifically have been found to activate the regions of the brain related to reward. This chemical release not only makes healthy employees feel good when they get praise, it is also crucial to memory and learning. It creates an internal reward system that makes employees want to repeat needed behaviors, if doing the right things earns recognition.

The Fifth Element: Someone Cares About Me as a Person

There are limits to how much can be accomplished through directives, financial incentives, fear of discipline and intense scrutiny of people's work. One of the crucial questions for a team leader trying to get the most from the team is whether they form a cohesive, cooperative, self-sacrificing, motivated crew. Such attributes are the essence of the Fifth Element of great managing and are measured by an employee's reaction to the statement, "My supervisor, or someone at work, seems to care about me as a person."

Social Capital

Team effort depends on the degree to which employees feel like a real part of a group, cohesiveness sometimes called "social capital." Authors Don Cohen and Laurence Prusak wrote, "Social capital bridges the space between people. Its characteristic elements and indicators include high levels of trust, robust personal networks and vibrant communities, shared understandings, and a sense of equitable participation in a joint enterprise — all things that draw individuals together in a group. This kind of connection supports collaboration, commitment, ready access to knowledge and talents, and coherent organizational behavior."

People treat each other differently when they form a personal connection, and they give more effort in a group when they feel that they are more than just a number. One of the best predictors of an employee's trustworthiness is his or her perception of whether the company "cares about my personal well-being." Compared with those who feel their company is looking out for them, "a disproportionate number of the workers who view the employer as unfair and uncaring" will cheat when they think they can get away with it.

The correlation between not feeling someone cares about them and resigning has been observed repeatedly in studies of individual companies in the Gallup database and in analyses where data from many organizations are combined. In high-turnover companies, workgroups in the lowest quarter of the "someone at work cares about me" statement average 22 percent higher turnover than their top quartile counterparts. In organizations where resignations are less common, the difference rises to 37 percent.

The Sixth Element: Someone at Work Encourages My Development

The notion of a personal guide is an ancient idea that perpetually re-emerges in forms such as the relationships between master craftsman and apprentice, doctoral candidate and thesis supervisor, and resident physician and intern. There is something about working closely with someone who supervises the less experienced person's progress that cannot be accomplished as well in any other way. From this fact stems the Sixth Element of great managing, measured by the statement, "There is someone at work who encourages my development."

The Sixth Element requires a high degree of personal investment by the counselor in the education of his or her charge. Without a mentor, it is difficult for employees to achieve real engagement (less than 1 percent) with their employer. Conversely, two-thirds of employees who report having someone at work who encourages their development are classified as "engaged," while one-third are "not engaged" and less than 1 percent are "actively disengaged."

In its broadest usage, as captured by the Sixth Element, a mentor is anyone who, in the eyes of the employee, ensures he or she successfully navigates the course. The important aspect is not which term this protector goes by — friend, coach advisor, sponsor, counselor, supporter — but whether the employee feels supported inside the business.

The Seventh Element: My Opinions Seem to Count

Although there is always a need for expertly designed systems that help maximize production, nearly every system depends on the motivation of the people who run it. That motivation, it turns out, requires workers to strongly agree that "At work, my opinions seems to count." This is the Seventh Element of great managing.

The mechanism that connects this element with better business performance appears to be a greater sense of responsibility for or psychological ownership of those things over which one has a say. No matter how strong the external incentives, they never seem to measure up to the internal drive of advancing something that is at least partially one's own idea. Nearly half of employees who say their opinion counts at work also feel their current job brings out their most creative ideas. Among those who are neutral or negative on the Seventh Element, only 8 percent feel their creativity is well employed.

Benefits of Improving Scores

Improving the proportion of employees with high Seventh Element scores from one in five to one in three has a substantial impact on customer experience, productivity, employee retention and safety, all of which create, on average, a 6 percent gain in profitability.

Incorporating employee ideas pays back twice. First, the idea itself is often a good one. Second and equally powerful, that the idea comes from the employees themselves makes it much

The Twelve Elements of Great Managing

1. I know what is expected of me at work.
2. I have the right materials and equipment I need to do my work right.
3. At work, I have the opportunity to do what I do best every day.
4. In the last seven days, I have received recognition or praise for doing good work.
5. My supervisor, or someone at work, seems to care about me as a person.
6. There is someone at work who encourages my development.
7. At work, my opinions seem to count.
8. The mission or purpose of my company makes me feel my job is important.
9. My associates or fellow employees are committed to doing quality work.
10. I have a best friend at work.
11. In the last six months, someone at work has talked to me about my progress.
12. This last year, I have had opportunities at work to learn and grow.

more likely that they will be committed to its execution. Welcoming employee opinions also produces greater feelings of inclusion among workers. When the 12 elements are compared against a number of statements to test perceived racial or gender bias, the "opinions count" statement is most highly correlated with feelings that employees are always treated with respect and the company treats its workforce fairly.

The Eighth Element: A Connection With the Mission of the Company

The Eighth Element of great managing is captured by the statement, "The mission or purpose of my company makes me feel my job is important." Business units in the top quartile of Gallup's engagement database on this element average from 5 percent to 15 percent higher profitability than bottom-quartile units. Mission-driven workgroups suffer 30 percent to 50 percent fewer accidents, and have 15 percent to 30 percent lower turnover. Employees who feel connected to the mission of their company are also more likely to report that humor or laughter plays a positive role in their productivity.

The strange thing about the Eighth Element is how extraneous it is to the job itself and the employee's material well-being. The absence of many of the other elements — job clarity, the proper equipment, a match with one's talents, consistent feedback — become real obstacles to actual production. It's easy to see why they're required to get the job done. The same cannot be said for the Eighth Element, which is strictly an emotional need, and a higher-level one at that, as if the employee can't be energized without knowing how his or her job fits into the grand scheme of things.

More Than a Job

It's not uncommon for employees of highly engaged workgroups, from entry level to senior executives, to mention having turned down higher pay to join or remain with a company they believed would provide more meaningful work with a more enjoyable team. No matter how employees make sense of the world and their role in it, if they see a connection substantial enough to consider their work a calling, they get more out of work and the organization gets more out of them.

Because of this connection, workers more strongly identify with the team, have less conflict, trust management more, are more committed, work through things better and put in more time at work, whether compensated or not. Here, the job doesn't determine its meaning. For example, "A school teacher who views the work as a job and is simply interested in making a good income does not have a calling, while a garbage collector who sees the work as making the world a cleaner, healthier place could have a calling," wrote researcher Amy Wrzesniewski.

It Starts at the Top

The most highly motivated and productive employees push hard because they feel their work makes a difference to attaining those worthy goals. Despite the high correlation between senior leadership and frontline commitment to the mission, this element loses the most power along the way. While two-thirds of executives in a typical company strongly agree with the mission questions, less than one-third of street-level associates do.

The Ninth Element: Co-Workers Committed to Doing Quality Work

Phoning it in. Free-riders. Cheaters. Hitchhikers. Deadwood. Slugs. Drones. Asleep at the switch. Cowards. Barnacles. Slackers. Con artists. Deserters. They go by dozens of scornful labels. During a career, everyone encounters at least a few of the people who strive to do the least they can without getting reprimanded. The Ninth Element is measured by the statement: "My associates or fellow employees are committed to doing quality work," and few factors are more corrosive to teamwork than the employee who skates through life taking advantage of the much harder work of others.

The frustration is evident in a comment of an employee who gave a low score to the associates-committed-to-quality-work statement. "I dislike having to constantly tell people how to do their job. It becomes my job to fix what they neglected to do correctly in the first place." Another complained about "no one wanting to take responsibility for anything." If a team lacks a strong work ethic and a sense of responsibility to its members, the group becomes a convenient place to hide a little slothfulness, to push a little work to the other guy, or to point fingers when a project doesn't hit its deadlines.

In an average team, about one in three employees strongly agrees that her team members are committed to doing quality work. But the Ninth Element is highly sensitive to the presence or absence of one or more slackers. When a team perceives that one of its members is dragging his or her feet, the proportion that rates the Ninth Element high drops to one in five. If a team is free of deadwood, the proportion that strongly agrees with the statement jumps to half of the team, with most of the rest giving positive, although slightly less emphatic responses. The many companies' performance data matched to Ninth Element scores show that people who feel part of a solidly committed team are routinely safer, better with customers, less likely to quit and more productive.

The Tenth Element: A Best Friend at Work

Responses to the Tenth Element, "I have a best friend at work," predict performance. Something about a deep sense of affiliation with the people in a team drives employees to do positive things for the business they otherwise would not do.

Early research revealed a very different social bond among employees in top performing teams. Subsequent large-scale, multi-company analyses confirmed that the Tenth Element is a scientifically salient ingredient in obtaining a number of business-relevant outcomes, including profitability, safety, inventory control and — most notably — the emotional connection and loyalty of customers to the organization serving them. A little less than one-third strongly agree that they have a best friend at work.

Friendship and Performance

Numerous qualitative studies of employee engagement suggest customers not only sense the level of camaraderie where they shop, but that it makes a large difference in their experience, if for no reason other than its natural contagiousness. In the service industries, the customer ratings of workgroups with strong Tenth Element levels are 5 percent to 10 percent higher than those of impersonal or acrimonious groups, explaining the difference between success and failure in many organizations.

Other connections between the "best friend" statement and business outcomes are less intuitive, at least at first blush. At one electric utility, friendships among team members proved to be responsible for lower accident rates. When the workers were asked for the reason, they said the answer is simple: People look out for their friends. A team that has two-thirds of its members strongly agreeing they have a best friend at work averages 20 percent fewer accidents than a team with only one in three strong on the Tenth Element.

Friendship is not without hazards for productivity, nor is it effective without the other elements, such as coworkers being committed to doing quality work or clear expectations for each member of a team. Without clear direction, tight-knit teams can lose themselves in socializing and ignore customer or business needs.

It's Easier to Work With Friends

Research on workers in various settings has shown that friends are more likely to invite and share candid information, suggestions and opinions, and to accept them without feeling threatened. Friends tolerate disagreements better than those who are not friends. The good feelings friends share make them more likely to cheer each other on. Friends are more committed to the goals of the group and work harder, regardless of the type of task. Group members who identify most closely with the team are more likely to monitor its performance against the goal.

Bunglers vs. Slackers

Gallup asked a random sample of U.S. workers which made them more frustrated: a colleague who tries hard but doesn't have much ability (a bungler), or a colleague who has the ability and doesn't try (a slacker). By a margin of six to one, workers are more upset with a slacker than a bungler.

The Eleventh Element: Talking About Progress

For all the complexity of performance appraisals — the balanced scorecards, the 360-degree feedback, the self-evaluations and forced grading systems — the statement that shows the best connection between perceptions of evaluations and actual employee performance is remarkably simple: "In the last six months, someone at work has talked to me about my progress." The statement does not specify that the discussion be an official review, but that the employee understands how he or she is doing and where his or her work is leading. In some ways, this statement is a long-term compliment to the Fourth Element of managing, which focuses on more immediate "recognition and praise."

Where a manager is regularly checking in with an employee, that employee is more likely to consider him- or herself properly compensated for the work, more likely to plan on staying with the company, and more than twice as likely to recommend the company to others as a great place to work. When compared with business results, the Eleventh Element turns out to be particularly powerful in driving productivity and safety.

Business units in the top quartile on this element realize 10 percent to 15 percent higher productivity and 20 percent to 40 percent fewer accidents than bottom-quartile business units. Yet less than half of employees in the global database strongly agree that someone talked with them about their progress in the last six months. Even among executives and senior managers, the proportion is only one-half.

Opinion Always Matters

On a purely functional level, an employee appraisal is quite simple. In practice, a good performance evaluation is a form of interpersonal art that requires managerial talent and careful preparation. A manager must maintain a delicate balance between giving candid, objective feedback and not crushing the employee's spirit and confidence. The research indicates that positive feedback charges up a worker, but negative comments sap the job of some of its intrinsic motivation. Comments from peers or subordinates must be interpreted carefully, and filtered of grudges, jealousy and erroneous observations. And, most of all, the discussion must be tailored to the personality, circumstances and potential of the employee.

The Twelfth Element: Opportunities to Learn and Grow

For many people, it is progress that distinguishes a career from employment that is "just a job." The Twelfth Element is measured by the response to the statement, "This last year, I have had opportunities at work to learn and grow." Employees who have an opportunity to learn and grow at work are twice as likely as those on the other end of the scale to say they will spend their career with their company.

When employees feel that they are learning and growing, they work harder and more efficiently. This element has a particularly strong connection to customer engagement and profitability. On average, business units in the top quartile on the Twelfth Element surpass their bottom-quartile counterparts by 9 percent on customer engagement and loyalty measures, and by 10 percent on profitability. These superior customer relationships and profits may occur because employees who are learning and are genuinely interested in their work have better ideas — which is another demonstrated correlation to the Twelfth Element.

Employees are Naturally Drawn to Progress

"Despite the fact that humans are liberally endowed with intrinsic motivational tendencies," wrote University of Rochester professors, "the evidence is now clear that the maintenance and enhancement of this inherent propensity requires supportive conditions, as it can be fairly readily disrupted by various nonsupportive conditions."

That's exactly what happens to many employees. Raised through a childhood in which each new year brought novel opportunities, playing at ever more difficult levels of sports, growing physically, educated in a system of cleanly delineated grades, many employees find themselves several years into their career wondering what happened to the momentum they used to enjoy.

Sitting in the same cubicle, doing the same job in much the same way without any meaningful new challenges causes employees to languish personally and professionally. A study of more than 3,000 adults between the ages of 25 and 74 found that 12 percent of the population is "languishing" and only 17 percent are "flourishing." "Languishing is associated with poor emotional health, with high limitations of daily living, and with a high likelihood of a severe number of lost days of work" and, when at work, lower productivity, wrote study author Corey Keyes.

What Great Managers Need

Some of what makes a great manager perform so well is pure talent — a natural ability to discern an employee's mind-set, a persistent optimism or a strategic acumen difficult to duplicate. Some of it is a deeply held personal mission to change the world for the better. Much of it requires that a front-line supervisor have the same experience with the 12 Elements as those he or she directs. One of the most fundamental needs of a great manager is … a great manager.

The level of engagement of managers ebbs and flows just as much as it does for anyone else. Moreover, the engagement level of managers correlates strongly with the attitudes of their team and before a person can deliver what they should as a manager, they must first receive what they need as an employee.

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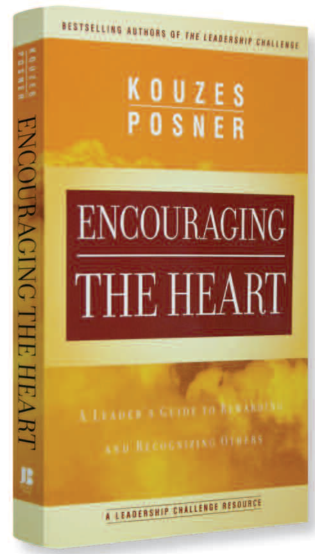
Management: Hands-On



Encouraging the Heart

A Leader's Guide to Rewarding and Recognizing Others

by Jim Kouzes and Barry Posner

THE SUMMARY IN BRIEF

Encouraging the Heart is about the principles and practices that support the basic human need to be appreciated for who we are and what we do. It is not about glad-handing, back-slapping, gold stars and pay-offs. It's about the importance of linking rewards and appreciation to standards of excellence.

Encouraging the Heart has its origins in Jim Kouzes's and Barry Posner's research on the practices of individuals functioning at their personal best as leaders. Since their studies began more than two decades ago, the authors have collected thousands of best practice leadership case studies and analyzed tens of thousands of leadership assessment instruments. They have consistently found that when getting extraordinary things done, leaders follow five practices. One of the five practices is encouraging the heart.

Leaders create relationships, and one of these relationships is between individuals and their work. Ultimately, we all work for a purpose and that common purpose has to be served if we are to feel encouraged. Encouraging the heart only works if there is a fit between the person, the work and the organization.

IN THIS SUMMARY, YOU WILL LEARN:

- Encouraging the heart requires a set of recognizable, learnable and repeatable actions that leaders can take to reinforce the standards of the enterprise.
- One way to show that you care is to pay attention to people, to what they're doing and how they're feeling.
- Learning to understand and see things from another's perspective is absolutely crucial to building trusting relations and to career success.
- Personalizing is about knowing someone so well that you know what's appropriate individually or culturally.
- Stories are better able to accomplish the objectives of motivation and mobilization than are bullet points on an overhead.

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THE COMPLETE SUMMARY: **ENCOURAGING THE HEART**

by Jim Kouzes and Barry Posner

The authors: Jim Kouzes and Barry Posner are the authors of the award-winning and best-selling book, *The Leadership Challenge*, with over 1.8 million copies in print. They've co-authored a dozen other books on leadership and developed the highly acclaimed Leadership Practices Inventory (LPI), the top-selling off-the-shelf 360-degree leadership assessment instrument in the world. They are the recipients of the American Society for Training and Development (ASTD) 2009 Distinguished Contribution to Workplace Learning and Performance Award. Jim Kouzes is a professional speaker and the Dean's Executive Professor of Leadership, Leavey School of Business, Santa Clara University. Barry Posner, Ph.D., is Professor of Leadership and former Dean (1997-2009), the Leavey School of Business, Santa Clara University. Jim and Barry have also co-authored the award-winning books *A Leader's Legacy*, *Credibility: How Leaders Gain and Lose It* and *Leadership Practices Inventory*.

Encouraging the Heart by Jim Kouzes and Barry Posner. Copyright © 2003 by John Wiley & Sons, Inc. Summarized with permission of the publisher, Jossey-Bass, a Wiley imprint. 203 pages, $18.95, ISBN 978-0-7879-6463-4.

For additional information on the authors, go to http://www.summary.com.

The Heart of Leadership

Ask yourself this question: Do I need encouragement to perform at my best? When this question was asked in leadership classes, only about 60 percent reported that they needed encouragement to do their best. The question was reframed: "When you get encouragement, does it help you perform at a higher level?" This time about 98 percent said yes, and only 2 percent said no.

These responses are in line with a study by the training and development company Kepner-Tregoe, in which researchers found that 96 percent of the North American workers they studied agreed with the statement "I get a lot of satisfaction out of knowing I've done a good job."

Starved for Recognition

So we get a lot of satisfaction from positive feedback, and encouragement helps if we get it. Why, then, do we think we don't need much positive affirmation? Perhaps it's because we don't experience enough encouragement to realize how important it is. Most workers don't get much recognition for a job well done, and most managers don't give it, according to the Kepner-Tregoe study.

Only about 40 percent of North American workers say they receive any recognition for a job well done, and about the same percentage report they never get recognized for outstanding individual performance.

Only 50 percent of managers say they give recognition for high-performance. Evidently, most assume that getting extraordinary things done is just part of the job.

As the authors of the Kepner-Tregoe study put it, "Unless this issue is addressed, the goal of achieving a high-performance workplace will remain unattainable."

Just Say Thank-You

Opening up is harder for some people than for others, but major psychotherapy is not required here. It starts with what Robert Fulghum pointed out years ago in his book *Everything I Ever Needed to Know I Learned in Kindergarten*, the little reminder pinned to the wall where you're sure to see it every morning when you come to work, "Remember to say thank you!"

Study after study points out just how fundamental all this really is. For example, one survey examining employee turnover found that the chief reason people give for leaving is that they get "limited praise and recognition."

When asked what skills their managers might develop to be more effective, employees place at the top of the list "the ability to recognize and acknowledge the contributions of others."

Appreciation, acknowledgment, praise, thank-yous, some simple gesture that says, "I care about you and what you do." It's information that communicates, "You're on the right track. You're doing really well. Thanks." To deny each other this gift of positive feedback is to deny increased opportunities for success. At the heart of effective leadership is genuinely caring for people.

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The Seven Essentials of Encouraging

While he was president of North American Tool and Die (NATD), Tom Melohn enjoyed giving out Super Person of the Month awards to employees who went the extra mile to help the company move toward its goal of high quality and no product rejects. Melohn made himself highly visible to everyone in the workplace. But more than this, he personally presented the Super Person awards with a gregarious style that was his trademark.

Through the strength of his presence, Melohn revealed that he knew what was going on, cared about people, got a great deal of pleasure from his work and took pride in the accomplishments of others.

Underlying the practice of encouraging the heart there is a set of seven recognizable, learnable and repeatable actions leaders take that make people feel special and reinforce the standards of the enterprise. When leaders do their best to encourage the heart, they:

1. Set clear standards.
2. Expect the best.
3. Pay attention.
4. Personalize recognition.
5. Tell the story.
6. Celebrate together.
7. Set the example.

These seven essentials of encouraging the heart are core leadership skills. When striving to raise quality, recover from disaster, start up a new service or make dramatic change of any kind, leaders must make sure that people experience in their hearts that what they do matters.

Leaders 'Know Thyself'

Leadership doesn't depend on mystical qualities or inborn gifts but rather on the capacity of individuals to know themselves, their strengths and their weaknesses, and to learn from the feedback they get in their daily lives — in short, their capacity for self-improvement. Leadership scholars consistently note the high correlation between leadership skills and the capacity for self-improvement.

"Know thyself" is the inscription over the oracle at Delphi. And it's still the most difficult task any of us faces. But until you truly know yourself, your strengths and weaknesses, what you want to do and why you want to do it, you cannot succeed in any but the most superficial sense of the word.

There's a rule in golf that applies equally to self-improvement: play it as it lies. For nongolfers, that simply means that you have to play the ball from wherever it lands, whether it's in the rough or on the green 10 inches from the cup. Applied to self-improvement, the notion suggests that we have to be able to identify and look very honestly at where we are right now in terms of our skills.

The information we gather in this way tells us where to start correcting, where to start building our skills and how to make the most of our strengths.

Alice in Wonderland

When you were a kid, you probably read *Alice in Wonderland.* Remember the croquet match? The one where flamingos were the mallets, playing card soldiers were the wickets, and hedgehogs were the balls? Remember how all the pieces kept moving and the rules kept changing all the time?

Poor Alice, she became so frustrated. There was no way of knowing how to play the game to win. There seemed no reason even to play the game. It was rigged in favor of the Queen of Hearts, anyway. And for the queen, that was really the point.

We've all been Alice at one time or another in our lives. We've been unsure where we're supposed to be going, what the ground rules are that govern how we behave or how we're doing along the way. Just when we think we get the hang of it, the boss comes along and changes everything. This is a recipe for maddening frustration and pitiful performance. Our hearts just aren't in it.

The first prerequisite for encouraging the heart is to set clear standards. By standards we mean both goals and values (or principles). They both have to do with what's expected of us, but goals connote something short-term, whereas values and principles imply something more enduring.

The First Essential: Set Clear Standards

Tony Codianni, of Toshiba America, once said: "I have a need to be personal with my folks. To me there's no difference between work and personal life. ... Encouraging comes from the heart. It's heart-to-heart, not brain-to-heart. It has to be genuine."

But don't mistake Codianni's love of people for a willingness to forget about standards.

Exemplary leadership is soft and demanding, caring and conscientious. As Codianni puts it, "I always tell trainers in my group that they have to master the program first, and then they're free to change it." To Codianni, having a clear set of expectations about what people will achieve is part and parcel of being caring.

We can learn a lot about leadership from the Girl Scouts and Boy Scouts. In these organizations, boys and girls learn and pledge to uphold certain principles. They earn advancement and recognition for their deeds. As they achieve specific goals they earn merit badges. The badges are symbols of living up to the standards.

Goals Concentrate Our Minds and Shape Who We Are

Values set the stage for action. Goals release the energy. University of Chicago professor Mihalyi Csikszentmihalyi has studied the state called "flow" for more than two decades. Flow experiences are those times when we feel pure enjoyment and effortlessness in what we do.

Among his findings, Csikszentmihalyi reports that "in order to experience flow, it helps to have clear goals — not because it is achieving the goals that is necessarily important, but because without a goal it is difficult to concentrate and avoid distractions. Thus a mountain climber sets as her goal to reach the summit not because she has some deep desire to achieve it, but because the goal makes the experience of climbing possible. If it were not for the summit, the climb would become pointless ambling that leaves one restless and apathetic."

Though many of us perceive goals as the finish line, Csikszentmihalyi is suggesting that the important function of goals is to get us moving with purpose and energy. What's really important to being our best is concentration and focus on something that is meaningful to us.

Goals Plus Feedback Keep Us Engaged

People need to know whether they're making progress or marking time. Goals serve that function, but it's not enough simply to know that we want to make it to the summit. We need to know if we're still climbing or if we're sliding downhill. There is revealing research about the impact that clear and positive communication has on internal motivation and physical stamina.

In one study, Stanford University's Albert Bandura wanted to find out how people's willingness to put forth effort to perform a task was influenced by the presence or absence of goals and feedback. He found that people's motivation to increase productivity on a task increases only when they have a challenging goal and receive feedback on their progress. (See Figure 4.2)

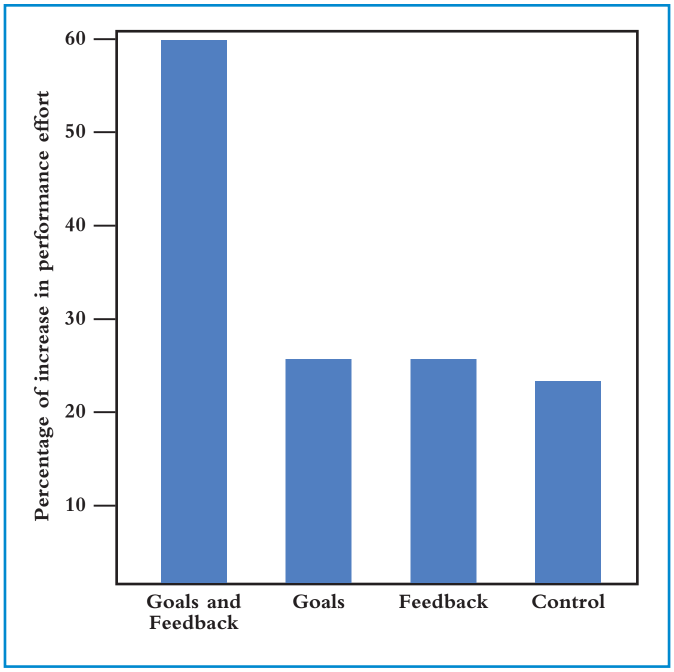

Figure 4.2

Encouragement Is Feedback

Encouragement, it can be said, is a form of feedback. It's positive information that tells us that we're making progress, we're on the right track and we're living up to the standards.

Encouragement requires us to get close to people, show that we care about them and demonstrate that we are interested in others. Because it's more personal and positive, encouragement is more likely to accomplish something that other forms of feedback cannot.

Encouraging the heart strengthens trust between leaders and constituents, a relationship that is critical to getting extraordinary things done in organizations.

The Second Essential: Expect the Best

Harvard professor Robert Rosenthal and co-researchers discovered that if we expect others to succeed, they probably will. If we expect them to fail, they probably will. People tend to live up, or down, to our expectations of them.

Managers communicate expectations in a number of ways. Managers with positive expectations set a climate that makes people feel more at ease. They offer positive reinforcement, give others information, give others opportunity for input and resources to do their jobs, and are likely to lend them assistance and give them better assignments. The manager's attitude influences his or her behavior toward others, and the behavior influences the results.

Successful leaders have high expectations, both of themselves and of their constituents. The expectations that successful leaders hold provide the framework into which people fit their own realities.

People are often anxious or nervous when they are encouraged by people in leadership positions to deliver their personal best. However, surveys show that spurred on by their leaders' high expectations, they develop self-confidence that gives them the courage and volition to live up to those expectations.

Clearly, before we can encourage the heart, we have to believe in others, and in ourselves. Our belief in others has positive benefits for individual leaders, for their constituents and for the organizations they serve. High expectations matter.

Positive Images Create Positive Possibilities

Positive futures for self and others are first constructed in our minds. Unless we can see ourselves as being successful, it is very difficult to produce the behavior that leads to success. Positive images make groups more effective; relieve symptoms of illness; and enhance achievement in school, the military and business.

Exemplary leaders know how to purposefully hold in their minds high expectations for themselves and other people.

The Third Essential: Pay Attention

One way to show that you care is to pay attention to people, to what they're doing and to how they're feeling. If you are clear about the standards of behavior you're looking for and you believe and expect that people will perform like winners, then you're going to notice lots of examples of people doing things right and doing the right things. Paying attention is all about being curious, really. Your curiosity shows you care.

Listen With Your Eyes and Your Heart

Learning to understand and see things from another's perspective is absolutely crucial to building trusting relations and to career success. For example, studies from the Center for Creative Leadership revealed that successful executives derailed because of insensitivity and inability to understand the perspectives of other people.

They undervalued the contributions of others, making them feel inadequate. They listened poorly, acted dictatorially, played favorites and failed to give — or sometimes even share — credit with others.

The net result over time was that these traits and attitudes caught up with them. When these managers really needed the help of others around them, they were left to fend for themselves, ignored, isolated and on occasion purposely sabotaged.

Eyes-and-heart listening can't be from a distance, reading reports or hearing things secondhand. Our constituents want to know who we are, how we feel and whether we really care. They want to see us in living color. This means regularly walking the office hallways and plant floors; meeting often with small groups; and hitting the road for frequent visits with associates, key suppliers and customers.

When you really pay attention — when you're curious, when you look for the best, when you put others first, when you listen with eyes and heart, when you hang out, when you open up to and with others — then you find what you're seeking. You notice all kinds of examples of people living up to and exceeding the standards that have been set. You find lots of opportunities to recognize individuals for their contributions.

The Fourth Essential: Personalize Recognition

To truly recognize a person so that he or she is encouraged by your efforts, you absolutely have to know something about who he or she is — some likes and dislikes, whether the person enjoys public recognition or shirks from it, and even what he or she is or is not willing to take credit for. Failure to learn something about others can result in an act of recognition that has no meaning. In fact, it can even hurt.

Ann Cessaris of Key Communication reminds us all of another reason why it's essential to personalize, or should we say "culturalize," recognition.

"I had a client," she reported, "who was born in Asia, came to this country at age 12, and was very well acclimated to life in the United States. However, when his boss rewarded his exceptional contribution to a team project by giving him a delightful corner office, he was horrified. He felt it destroyed the feeling of teamwork and his future relations with his team members."

Cultural values run deep, says Cessaris, and she's absolutely correct. Personalizing is about knowing someone so well that you know what's appropriate individually or culturally. It's pretty arrogant for someone to assume that just because he or she is the leader he or she naturally knows what's right for others without even bothering to inquire or observe.

What it comes down to is thoughtfulness: how much effort you put into thinking about the other person and what makes the recognition special for that person. It means observing an individual and asking, "What would really make this special and unique for this person — make it a memorable, one-of-a-kind experience?"

The Fifth Essential: Tell the Story

We're inundated with bits and bytes of information every nano-second of every day. How can we possibly sort through it all and remember even a morsel? Research clearly demonstrates that information is more quickly and accurately remembered when it is first presented in the form of an example or story.

Researchers have found, for instance, that when American history textbooks were translated into the story-based style of *Time* and *Newsweek*, students were able to recall up to three times more information than they were after reading more typical school text.

Stories are better able to accomplish the objectives of motivation and mobilization than are bullet points on an overhead. Well-told stories reach inside us and pull us along. They give us the actual experience of being there and of learning what is really important about the experience.

Because storytelling has been found to be so crucial to learning, sense making, decision making, motivating and mobilizing, it's no wonder leadership researchers have stressed how effective storytelling is as a leadership tool.

How to Tell a Great Story

Use these practical guidelines to construct a story the next time you are about to engage in an act of recognition:

1. Identify the actors. Make sure that you clearly have in mind a person (or team of people) you are trying to recognize. Name names.

2. State the predicament. Present both the problem to be solved and the standard that is at stake. It's one thing to praise people for solving a problem, but it's more powerful to also praise them for living up to the organization's beliefs.

3. Clarify the actor's intentions. In your recognition story, relate what went through the person's mind as he or she weighed the options.

4. Describe the actions. Relate in as much detail as you can what happened. It's important to describe the behaviors so the next time others are faced with a similar predicament they can have a framework for action.

5. Include the props. Like props in a play, objects are important to a story. They give detail and help people put themselves into the predicament. Objects may be inanimate or animate (as with people). There may be a protagonist and an antagonist.

6. Tell how it ended. Tell the listeners what happened in the end and why it was important.

7. Paint — or reenact — the scene. Be sure to place all of this in context. Relate when and where it happened. Talk about the surrounding circumstances.

8. Include a surprise. Every great story includes some kind of surprise. If at all possible, find a way to add an element of amazement. It adds interest, makes the story more memorable and produces more fun.

Recognition stories that include all these elements require time and preparation. Good storytelling is an art, and like any art it requires practice. But if you accept that storytelling is effective as a leadership tool, then the practice and preparation are well worth the investment.

The Sixth Essential: Celebrate Together

All individual recognitions can, in some way, be made group celebrations. When we think of celebrations, we often imagine very elaborate events. Though celebrations are often magnificent affairs, they can be very simple too. Broaden the definition of celebration to include the small as well as the grandiose. The critical ingredient is togetherness.

Celebrations Build Community

Celebrations — whether to recognize the accomplishment of one person or to cheer the achievements of many — are opportunities to promote individual health, but also opportunities for leaders to build healthier groups. Highly visible public recognition builds the self-esteem of the recipients, and it builds a sense of community and belonging, of working together to achieve shared goals and shared victories.

Terrence Deal and M.K. Key express it this way: "Celebrations infuse life with passion and purpose. ... They bond people together and connect us to shared values and myths. Ceremonies and rituals create community, fusing individual souls with the corporate spirit. When everything is going well, ritual occasions allow us to revel in our glory. When times are tough, ceremonies draw us together, kindling hope and faith that better times lie ahead."

Celebrations increase the sense of belonging. By making achievements public, you build a culture in which people feel that their efforts are appreciated and even applauded. People who count themselves as members of this community can find meaning and purpose here.

The Seventh Essential: Set the Example

When Cary Turner took over the stores division of Pier 1 Imports, he personally called or wrote all the store managers in the company to introduce himself and thank them for their hard work. Now that he's been there for a while, according to those who work with him, he still says thank-you all the time and sends personal handwritten thank-you notes.

Small gestures, perhaps, but this is how cultures of celebration and recognition are built. One thank-you note at a time. One positive role model at a time.

Turner's also prone to the outrageous sometimes. He will accept almost any challenge to inspire and encourage associates. For instance, in December 1997, when the stores as a whole achieved a 10 percent comparative store gain, he walked barefoot on hot coals. The slogan: "We're so hot, we're cool. We're so cool, we're hot." In 1996, he made a bet with his regional managers: he'd visit all of them dressed in a chicken suit if they'd significantly increase sales. They did and he did. When a Washington, D.C., store hit $2 million in sales, and because the store manager asked him to, Turner arrived dressed as a bride to promote its bridal business. When the Northwest region increased its December sales by 11.1 percent and challenged him to do something outrageous, he parasailed over the Puget Sound and Seattle waterfront.

But it doesn't always take the outrageous to make a positive impact. Turner is well known for slapping "high fives" wherever he goes, in the stores, in the corporate office elevator and even with customers. It's his way of saying, "Thank you for everything you do." It's this enthusiastic connection that makes him approachable to the people who look to him for encouragement and inspiration.

Over and over again, it's the same story. Wherever you find a strong culture built around strong values — whether they are about superior quality, innovation, customer service, distinctiveness in design, respect for others or just plain fun — you also find endless examples of leaders who personally live the values.

Yes, it may emanate from the top, but a culture is sustained over time because everyone becomes a leader; everyone sets the example.

Credibility Is the Foundation

The recurring lesson is that it all starts with credibility. In researching the qualities that people look for and admire in their leaders, it is revealed time and time again, more than anything, people want leaders who are credible. Credibility is the foundation of leadership. Period.

Above all, people want to believe in their leaders. They want to believe that the leaders' word can be trusted, that they do what they say. The findings are so consistent over such a long period of time that this can be referred to as the first law of leadership: If you don't believe in the messenger you won't believe the message.

Leadership credibility makes a huge difference in our performance and our commitment to an organization. When people perceive their immediate managers or senior managers to have high credibility, they're significantly more likely to:

- Be proud to tell others they're part of the organization
- Feel a strong sense of team spirit
- See their own personal values as consistent with those of the organization
- Feel attached and committed to the organization
- Have a sense of ownership for the organization.

However, when people perceive their immediate managers to have low credibility, they're significantly more likely to:

- Produce only if they're watched carefully
- Be motivated primarily by money
- Say good things about the organization publicly but criticize it privately
- Consider looking for another job if the organization experiences problems
- Feel unsupported and unappreciated.

Credibility makes a difference. Among other things, loyalty, commitment, energy and productivity depend upon it. When it comes to deciding whether a leader is believable, people first listen to the words and then watch the actions. Constituents are moved by deeds. Actions are the evidence of a leader's credibility. This observation leads to a straightforward prescription for leader modeling: Do what you say you will do.

This strategy has two essential elements: the first is *say* and the second is *do*. To set an example, leaders must be clear about their values; they must know what they stand for. Leaders must put what they say into practice. They must act on their beliefs and do.

Leaders Go First

Setting the example for encouraging the heart starts, in fact, by giving yourself permission to do so. It starts when you get personally involved.

When leaders do get personally involved in encouraging the heart, the results are always the same: the receiver and the giver both feel uplifted.

Finding Your Voice

You cannot lead out of someone else's experience. You can only lead out of your own.

In his witty book *Management of the Absurd*, psychologist and management consultant Richard Farson writes, "In both parenthood and management, it's not so much what we do as what we are that counts. ... There is no question that parents can and should do worthwhile things for their children, but it's what they are that will really matter. ... The same dynamic occurs in management and leadership. People learn — and respond to — what we are."

Max De Pree, former chairman and CEO of Herman Miller, the Michigan furniture maker, tells a moving story that well illustrates this point:

"Esther, my wife, and I have a granddaughter named Zoe, the Greek word for "life." She was born prematurely and weighed 1 pound, 7 ounces, so small that my wedding ring could slide up her arm to her shoulder. The neonatologist who first examined her told us that she had a 5 to 10 percent chance of living three days. …

"To complicate matters, Zoe's biological father had jumped ship the month before Zoe was born. Realizing this, a wise and caring nurse named Ruth gave me my instructions: 'For the next several months, at least, you're the surrogate father. I want you to come to the hospital every day to visit Zoe, and when you come, I would like you to rub her body and her legs and her arms with the tip of your finger. While you're caressing her, you should tell her over and over how much you love her, because she has to be able to connect your voice to your touch.'

Ruth was doing exactly the right thing on Zoe's behalf (and, of course, on my behalf as well), and without realizing it she was giving me one of the best possible descriptions of the work of a leader. At the core of becoming a leader is the need always to connect one's voice to one's touch."

De Pree goes on to explain for leaders "a prior task — finding one's voice in the first place."

Beyond Tools and Techniques

Finding your voice is absolutely critical to becoming an authentic leader. If you can't find your own true voice, you end up with a vocabulary that belongs to someone else, mouthing words that were written by some speech writer who's nothing like you at all.

Finding one's voice is something that every artist understands, and every artist knows that finding a voice is most definitely not a matter of technique. It's a matter of time and searching — soul searching.

Poet David Whyte has written "the voice throws us back on what we want for our life. It forces us to ask ourselves, Who is speaking? Who came to work today? Who is working for what? What do I really care about?" Finding your voice begins by asking yourself Whyte's questions.

It's important to answer them for yourself — to find your true voice. Because you can't lead others to places you don't want to go yourself. If you don't feel a burning passion for something, how can you inspire and encourage others to share it?

There is one truth you absolutely must confront. Understanding that the heart of effective leadership is genuine caring for people, how much do you really care about the people you lead? The question must be confronted daily, because when you care deeply, the techniques described here present themselves as genuine expressions of your caring. When you care little, they're perceived as nothing more than gimmicks and you're thought of as a phony.

You can learn to lead, but don't confuse leadership with position and place. They're not what earn you the respect and commitment of your constituents. What earns you their respect in the end is whether you are what you say your are and whether what you are embodies what they want to become.

RECOMMENDED READING LIST

If you liked *Encouraging the Heart*, you'll also like:

1. ***Leading With Character*** **by John J. Sosik.** This book offers a unique collection of essays on leadership from 25 famous names in business and culture.
2. ***Primal Leadership*** **by Daniel Goleman, Annie McKee and Richard E. Boyatzis.** Discover how good leaders use their Emotional Intelligence to get results. Learn how the four quadrants of EI impact your leadership.
3. ***The Enthusiastic Employee*** **by David Sirote, Louis A. Mischkind and Michael Irwin Meltzer.** Drawing on 30 years of research, the authors explain why high morale is good for the bottom line. Learn the specific management practices that can have the greatest impact on performance.

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Management

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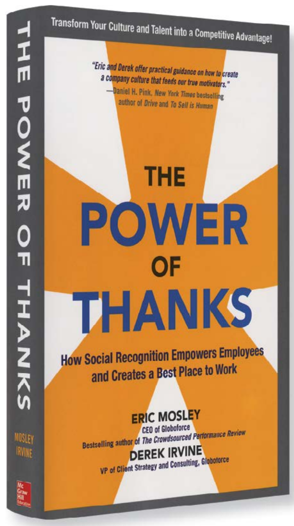
The Power of Thanks

How Social Recognition Empowers Employees and Creates a Best Place to Work



by Eric Mosley and Derek Irvine

THE SUMMARY IN BRIEF

Building a fully engaged, energized workforce is the key to business success. *The Power of Thanks* reveals how leading companies empower employees through social recognition, in which the practice of mutual appreciation and trust directs and rewards higher performance.

Eric Mosley and Derek Irvine, executives at the world-renowned employee-recognition firm Globoforce, explain why social recognition is so powerful and how you can apply it in your company. They show how a carefully planned and consistently executed Culture of Recognition business strategy inspires greater employee engagement and loyalty; stronger, more unified teams and departments; a creative, innovative company culture; improved customer satisfaction; and increased profitability and organizational health. Mosley and Irvine provide practical advice and proven examples for devising a powerful, growth-generating strategy that modernizes employee recognition for today's social, global, multi-generational and 24x7-wired workforce.

When employees participate in a culture that makes everyone a stakeholder in the organization's success, positive energy spreads like wildfire, and business results follow. Something so simple and powerful might work like magic, but it's really just common sense. It's smart management. It's long-term thinking. It's The Power of Thanks.

IN THIS SUMMARY, YOU WILL LEARN:

- Why culture is central to business success today.
- The difference between social recognition and other forms of appreciation.
- How social recognition creates happier employees and drives ROI and business results.

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THE COMPLETE SUMMARY: **THE POWER OF THANKS**

by Eric Mosley and Derek Irvine

The authors: Eric Mosley is the cofounder and CEO of Globoforce. As a recognized industry leader, he has personally advised some of the largest and most admired companies in the world. As Vice President, Client Strategy and Consulting at Globoforce, Derek Irvine leads the company's strategy and consulting division. He helps clients leverage proven recognition strategies and best practices to elevate employee engagement, increase retention and improve bottom-line results. *The Power of Thanks: How Social Recognition Empowers Employees and Creates a Best Place to Work* by Eric Mosley and Derek Irvine. Copyright ©2014 by Globoforce Limited. Summarized by arrangement with the publisher, McGraw-Hill. 240 pages, $25.00, ISBN 978-0-07-183840-5. Summary Copyright © 2015 by Soundview Executive Book Summaries®. www.summary.com, 1-800-SUMMARY. For more information about the authors visit powerofthanksbook.com.

PART I: UNDERSTANDING ORGANIZATIONAL CULTURE

The Rise of Company Culture

The traditional model of employee loyalty rewarded by lifetime employment is long gone. The traditional method of top-down, command-driven productivity is also long gone. In their place, leading companies have discovered that company culture drives today's competitive advantage because it inspires the behaviors that create more value through work.

A distinctive company culture starts with a clear vision, but vision alone doesn't establish and sustain a culture. That happens when the values inherent in a vision inspire emotions that then drive new behaviors. The right behaviors drive change (the right behaviors *are* change — of the right kind). And when the new behaviors are encouraged, they affirm the vision that started the cycle.

It's the willingness to apply those values to everyday situations that drives a business vision forward. Values powered by emotions lead to behaviors that make change. And change affirms the vision and the values. It's a virtuous cycle.

What Is Culture?

Herb Kelleher, the legendary cofounder and chairman of Southwest Airlines, believed "Culture is what you do when people aren't looking." It's how employees behave when they step away from the power relationships in an organization and operate purely on instinct based on their own values. When those values are also shared with the organization, culture is nourished. Culture is nothing less than the aggregate of tens of thousands of interactions and decisions every day. Leaders of great companies reinforce their values by rewarding and celebrating the behaviors that express those values.

Creating a culture means choosing a limited number of values that define the company as surely as its products or logo do and then encouraging expression of those values in everyday behavior.

The CEO and HR set the task and the tone, but how can culture permeate the beliefs and behaviors of every person in an organization? There is only one way that is sustainable: The company can adopt the practice of *a culture of recognition*, in which every single employee is responsible for saying "Thanks!"— recognizing, celebrating, appreciating and promoting the desired cultural values.

You might call it an operating system for company culture — an enabling technology for proactive culture management. A culture of recognition is a set of beliefs, habits and values that affirm and drive all other values, actions and results of a company.

A culture of recognition engages, energizes and empowers employees; it can mean the difference between failure and success for companies in today's hypercompetitive marketplace.

The People-First Workplace

George Anders, a contributing editor at *Forbes*, notes that many of the fastest-growing jobs in the modern economy require a powerful sense of empathy. Empathy is the ability to put oneself in another's situation. Truly powerful empathy is the ability to understand and anticipate at a deep emotional level someone else's thoughts, feelings, perceptions, pleasures and displeasures.

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Rebecca S. Clement, Publisher; **Sarah T. Dayton**, Editor in Chief; **Ashleigh Imus**, Senior Editor; **Amanda Langen**, Graphic Designer; **A. Imus**, Contributing Editor

Great HR managers have an automatic empathy, what psychologist Daniel Goleman called emotional intelligence. But it's not limited to HR managers. Great leaders in product design have an intuitive feel for how people will react to a dress pattern or the feel of a smartphone in the hand.

Silent empathy won't move a workforce. It must be expressed. The best way to express this is appreciation. At the most basic human level, recognizing effort and saying "thank you" has astonishing power to motivate others.

Payroll processing company ADP asked employees and HR directors in Great Britain, "Aside from pay, what motivates and engages you at work?" Fifty-nine percent replied, "Praise and recognition." That was by far the most important motivation after pay — more than employee benefits, clear paths for advancement, or even the flexibility to work where and when the employee wanted.

Why should praise and recognition — receiving thanks — be so motivating? In the context of the modern organization, giving and receiving thanks is a sophisticated form of communication in five ways:

- Thanks identify the right behaviors.
- Thanks are feedback. It tells employees they're on the right track.
- Thanks break through social and emotional barriers.
- Thanks create trust and social bonds.
- Thanks feel good.

The Positivity-Dominated Workplace

Positivity is the conviction that "it's up to me to make things turn out all right." Positivity looks at a business win and says, "We did this" and looks at a business loss and says, "We can turn this reversal into a chance to get better."

In the Positivity-Dominated Workplace, employees and managers are encouraging each other, learning from successes and failures, noticing and celebrating, and above all, recognizing the behaviors that embody company values and advance company goals.

Recognition matters because it reinforces the right actions, encouraging them to happen again and again, providing guidance and adding social value. Behaviors matter because in a workplace, behavior trumps intention. Engagement flows from people doing work they like well in a culture that appreciates and recognizes a job well done.

Two additional factors characterize the people-first workplace, from the mightiest global brands to the most successful small businesses. They are *authenticity* and *transparency*. Authenticity means people are living the same company culture that the CEO describes and that the HR department claims in job descriptions. Transparency is a relatively new quality of the workplace, accelerated by the Internet in general and social media in particular.

Because the reality of a workplace is now public information and a company's culture of whatever stripe must be authentic, the necessary task is to motivate people to celebrate and promote that authentic culture. This means focusing on things that create happiness and high morale so that a Positivity-Dominated Workplace can grow and thrive. That begins with understanding the power of giving and receiving appreciation.

Appreciation, Gratitude and Employee Engagement

While happiness at work makes people smarter, more engaged and more productive, people also have a similar but distinct need to achieve a sense of meaning in what they do. Happiness is about the self; feelings of meaning at work arise from the social context. The feeling that what you do has meaning beyond your own gratification is cultural. It is confirmed by satisfying a cultural set of values. In a society, it's noticed and confirmed by others. Meaning is associated with giving more than taking, with contributing to something bigger than oneself.

Assuming that it's good for employees to find meaning in their work, how can employers encourage that? What reinforces an employee's sense of belonging to something greater than him- or herself?

The answer is found in the social behavior of expressing appreciation and gratitude. The two go hand in hand: Appreciation means recognizing work well done. Gratitude is a bit more personal than appreciation — it means expressing thanks for a benefit one has received.

Appreciation and gratitude are powerful forces among employees because they satisfy the higher psychological needs of individuals and the higher social needs of groups. They confer meaning on actions because they show an action is either recognized as valuable (appreciated) or personally beneficial (gratitude) or both. This is a big deal in managing because it makes the workplace a source of meaning.

As appreciation builds a healthy culture, gratitude promotes a healthy workforce (and not just in terms of physical health). It's tempting to underestimate this simple truth about human beings: giving thanks benefits both giver and receiver.

Employee Engagement

Engagement is the HR hot topic of the decade. First, a definition: Engagement at work is the willingness to give discretionary effort to a job. It means voluntarily doing more than the minimum. It is an attitude confirmed by behavior. An engaged employee is aligned to strategy and committed to delivering on his or her goals as well as the strategic goals of the company. Engaged employees are important contributors to the company's culture and continually reinforce values that support the company mission as well as the bottom line.

The HR consultancy Towers Watson suggests that the way to sustain engagement is to see that a workforce is enabled (has an environment that supports productivity and performance with the right equipment, knowledge, help and other resources) and energized (has a sense of individual, physical, interpersonal and emotional well-being at work).

Empowerment and encouragement are additional factors that nurture and sustain engagement over the long run. Empowerment transfers the power to achieve results from the manager to the employee. Empowerment is the foundation of accountability — that is, delivering on commitments.

Encouragement costs practically nothing — a word, a bit of recognition, a gesture of appreciation or gratitude — yet it literally "gives courage" to an employee to act again, to go beyond the minimum, to break out of the sterile job requirements, to take risks, and to make the extra effort that defines engagement in the first place.

PART II: UNDERSTANDING SOCIAL RECOGNITION

Setting a Purpose and Vision

In the business classic *Good to Great: Why Some Companies Make the Leap … and Others Don't*, Jim Collins describes the "level 5 leader" as a frequently colorless public figure, yet one focused on many of the social mechanisms of an organization. His analysis shows the drawbacks of a heroic leader, including the obvious fact that an organization dependent on one person for its success gets in trouble when that person leaves, retires or dies. Great leaders, says Collins, live more often out of the public view but build behavior-based values like "facing the bad news" and a "culture of discipline" into their organizations' DNA.

Great leaders set a purpose and vision for a company by the goals they establish, the values they promote and the destination they describe. Then they empower the organization to build culture itself, guided by their vision. They hire people who will promote and demonstrate the right cultural values. They build and promote a social architecture that supports the culture they want.

Social Architecture

Social architecture is to culture what a foundation, beams and joists are to a building. Social architecture is found in a thousand small behaviors: communication, traditions, authority, privileges and "ways of doing things." Social architecture is useful because no manager can be everywhere, on every phone call, standing beside every employee whenever they're doing anything.

Three components of social architecture deserve special mention here: shared values, employee engagement and united execution create a high-performance culture. Social recognition is the link connecting all three.

Shared Values: Management teams spend countless hours concisely defining their company's values into a cultural vision that inspires employees to achieve strategic goals. Ideally, values should also differentiate a company from its competitors.

Unity matters. For a company's values to have an impact on employee behavior and performance, they must be understood in the same way by all employees regardless of position, division, geographic location or tenure with the company. The company's unique value set needs to be promoted, rewarded and propagated. Shared values are taught, retaught and honored when recognition draws attention to specific behaviors tied to a company value.

Engagement and Social Architecture: An engaged employee is a cornerstone of social architecture. If a spirit of innovation is a core cultural value, for example, then any time an employee suggests a new way of doing things, or a creative idea for a product or service, he or she is demonstrating that value. That's engagement — going beyond the letter of the job and promoting one value that makes up company culture. When others recognize, celebrate and appreciate individual acts of innovation, that value is reinforced socially.

United Execution: Ultimately, social architecture's value is to drive behaviors that support the company's mission and business goals. This requires united execution, which means that individuals function as a team, supporting each other's individual activities and goals as well as performing their own. Even if individuals share most company values and cultural beliefs, without united execution they risk error, mistrust and miscommunication.

With united execution, competition for rewards remains rule-bound and fair. People support and encourage each other because they understand that the larger goals they share benefit everyone.

Shared values, engaged employees and united execution can be a daily reality with a strong, supportive and inclusive social architecture. The tools that work best for building social architecture are the different forms of recognition.

The Evolution and Reinvention of Recognition

Today, recognition is a full-featured management practice. Like employer branding and financial management, it is a set of actions, rules and processes working together to achieve strategic goals. And like other management practices, recognition ranges from simple, tactical steps through enterprise-wide initiatives to long-term strategic practices. The progress of an organization from simple to sophisticated practice is the recognition journey.

Tactical Recognition: Tactical recognition focuses on the connection between a manager and an individual employee. The manager notices extra effort or good performance and recognizes it with an award and a personal message. "Catch them doing something good" is the slogan for this kind of recognition.

Enterprise Recognition: The second stage of the recognition journey is enterprise recognition, which means spreading the practice of tactical recognition across a company's different divisions and functions. Enterprise recognition, like enterprise financial management or procurement practices, establishes standard objectives, practices, ways and means to accomplish recognition's goals. Enterprise recognition makes recognition standard and scalable across big organizations, just as a purchasing department can standardize and scale the buying of office supplies.

Enterprise recognition falls short of recognition's true potential because it is layered onto a culture in the same manner as a benefit program. It stays in the human resources silo — a positive step forward, to be sure, but not answerable like other disciplines to management practices of measurement against goals. That represents a huge missed opportunity.

Strategic Recognition: Strategic recognition is the practice of integrating recognition with other management tools and practices, taking recognition beyond the HR domain and leveraging its power to shape behavior at all levels of the organization. Strategic recognition is the point at which the "soft" behaviors of recognition — which worked well at motivating employees — finally merge with the "hard" management practices of measurement, goal-setting, analysis and strategic execution. At this level, as with so many practices today, new value is realized by unlocking heretofore hidden data.

Technology initiatives and new product lines are supported with a sophisticated reporting protocol and tracking technology because they make a difference to the bottom line. Strategic recognition treats cultural performance with the same level of seriousness and support because it, too, makes a difference to the bottom line. Because tracking and monitoring tools are in place, practitioners use strategic recognition to manage the culture in detail.

Social Recognition: Social recognition is a new phenomenon made possible by the rise of Internet social technologies. It reaches beyond the manager or even the immediate hierarchical team to involve an individual's entire work circle — the people he or she interacts with on a regular basis, past colleagues who have moved to new positions in the organization, and anyone whom the individual wants to keep in touch with through the positive power of thanks.

Mobile recognition feeds the power of social recognition by ensuring the vast majority of employees, regardless of location or job type, can fully participate in the recognition program through their mobile devices (typically smartphones). The "access anywhere, anytime" availability of mobile today also helps ensure recognition moments are timely and occur very soon after the event deserving of recognition.

Insight: Insight is a term for the ultimate goal of the recognition journey, in which the practice of social recognition is integrated to all the talent-management practices beyond culture management. The key to insight is the capability of today's data-analysis technologies to record, interpret and make connections among the many activities labeled "talent management."

Social, Mobile and 24/7

If you feel buffeted by the pace of change in workforce management, fasten your seat belt. We're at the leading edge of four tectonic trends that are changing employee thinking, behavior and expectations at an ever-accelerating rate. The workforce is becoming more global, multigenerational, social and mobile. In a fifth trend, employers are borrowing from consumer technologies to design new systems of employee management.

Be mindful of these five trends as you consider a recognition solution, because they will change recognition and much more of your management tool kit in the near future.

Business Is Global. Is your organization multinational or global? The difference will predict how complicated a recognition solution will be. A multinational organization has locations or facilities in multiple countries, but each location functions in its own way, essentially as its own entity. A social recognition practice has to take cultural and economic differences into account to be equitable and effective.

Business Is Multigenerational. The Great Recession forced many baby boomers (born 1946–1964) to delay retirement around the time that 40 million members of the millennial generation (born 1980–2000) stepped into the workforce, squeezing Generation X (born 1965–1980) as that middle cohort advanced to their prime earning years. Today, as many as three generations work side by side as peers. Recognition acts as a unifier in a multigenerational workplace because it crosses lines of authority, seniority and social distance. A recognition moment confers respect and appreciation, which brings people together who might otherwise have a more remote workplace experience.

Business Is Social. We are social beings, and our workplaces are small societies. "Social business" means much more than social media. Work is interdependent, with all kinds of expertise needed at different stages of a project. As the workplace becomes more socially active in this sense, recognition reinforces the attitudes that facilitate cooperative work. As social sharing becomes more and more a part of how work gets done, recognition can encourage all to contribute.

Business Is Mobile. Another trend radically accelerated by technology is the recent shift toward mobile devices, chiefly smartphones and tablets. Social recognition among colleagues can — and should — be designed for use on mobile devices to increase participation. Employees should be able to share appreciation immediately, not waiting to get back to a desk, especially when that desk might be 1,000 miles away.

Business Is Borrowing Consumer Technologies. Today, consumer-centric design dominates. The reason is related to the global, multigenerational, social and mobile changes that are taking place: As the borderlines of time, space and behavior between "work" and "life" break down, businesses are more open to adapting consumer technologies and habits to the workplace. At the leading edge of consumer-centric design, video recognition is a recent innovation, taking advantage of the broad move in how we absorb information from the written word to video messages.

When video recognition is built into your program, it's even easier for someone to create a quick but meaningful video containing the powerful specific messages of appreciation but delivered in an intimately personal way. Video naturally conveys tone of voice and body language along with our words of praise.

PART III: PUTTING SOCIAL RECOGNITION INTO PRACTICE

Building a Social Recognition Framework

Recognition can and should be planned and executed in a company like any other management practice with the potential to drive bottom-line results, and therein lies the opportunity for competitive advantage. Other practices like compensation, financial discipline and quality control are so well established that your competition manages these in essentially the same way as you. When you elevate recognition to the level of other strategic practices, you create a fresh competitive advantage, one that is uniquely tailored to your company's culture, goals and strategy. Social recognition is one of the few practices that still create competitive advantage.

Here is a blueprint for building a strategically effective social recognition practice that seizes that competitive advantage. This blueprint includes plans in five areas: sponsorship, design, reach, adoption and rewards.

Sponsorship: The success of a strategic recognition program depends on sponsorship by organization leaders. When recognition's relationship to other strategic assets is understood and supported, its power is truly unleashed, and this can only happen with executive attention and approval. Social recognition earns support because it engages executives where they live — in the realms of competitive advantage, high performance and profits.

Social recognition needs commitment from all top executives. Executive participation elevates the program to strategic status. It increases general participation, focuses managers and battles the unfortunate tendency to say yes without real commitment.

Design: Recognition must be designed as carefully as any other strategic initiative, with a clear ambition, metrics and input from stakeholders. Why are you doing this? Without real, detailed goals, the practice of engaging and motivating employees can become "recognition for recognition's sake," which typically results in another old-school program lacking accountability and relevance.

Establish a recognition ambition based on your organization's core values and strategic objectives. What are the hallmarks of your culture? What do you want to accomplish? How does it relate to your most important business drivers? What must be supported — profits, customer service, operational excellence, innovation and/or maximum product quality?

Reach: Social recognition creates a big winner's circle. In old-school recognition programs, a few people received large awards. Our partners have learned they can achieve substantial improvements by adding a lower range of awards with economic value to the program's portfolio.

Social recognition awards the top 10 percent. It also recognizes the 70 percent of people behind the top performers who carry the organization every day. These are the classic unsung heroes. They are the "Mighty Middle"— the people who dutifully attend to their tasks, are consistently polite on the phone and reliably complete work on time. A broad improvement in company performance requires bringing these people into the winner's circle. It's simple logic: Raising the engagement of a majority of employees will result in outsized performance improvements. To imagine otherwise is to waste that middle 70 percent's potential.

Adoption: Any new initiative requires a critical mass of adoption by employees to achieve its goals, and that's doubly true of a social initiative like recognition. Quick adoption by a large number of employees means better ROI for the program over time and faster results in terms of engagement, energy and performance.

You also need to brand your recognition program. Sometimes the name is nothing more than a label: "Acme Corporation Recognition Program." We advocate a single, unique brand identity for a company's social recognition program. Creating a unified brand promotes unity across divisions and borders. With one name known by everyone, the company has a one-company voice and a one-company mission around which employees can rally. Branding your social recognition program in this kind of disciplined yet creative way is a chance to reinforce key values that make the company unique.

Rewards: The era of the gold watch is long gone, so consider a few principles when determining the nature and size of rewards in a social recognition program.

Offer a great choice of rewards. Employees are individuals — this is a fundamental principle of social recognition. Each employee makes unique contributions, has unique tastes and desires uniqueness. The best managers, and indeed the best global organizations, learn that rewards are most effective when they honor the individual. Merchandise-only programs were designed before the advent of the multicultural, global organization, and they make little allowance for differences among cultures. A crystal trophy might sit well on a desk in Paris, but does it have the same meaning in Toronto or Miami?

Social recognition magnifies the moment of recognition with the power of choice. In a partnership of goodwill, the giver determines the value of the award, and the recipient determines the final object or experience awarded. In this way, the recipient becomes a participant in his or her own recognition, not a passive-if-gratified spectator.

Driving ROI and Business Results

There are additional business reasons to make recognition a strategic imperative.

Reducing Turnover. Turnover is a budget-killer for HR because the cost of replacing employees who quit ranges from 50 percent to 150 percent of a year's salary. For example, a company of 10,000 employees with annual salaries ranging between $30,000 and $150,000 and an 11 percent turnover rate spends more than $41 million in turnover costs! Compare that to the cost of a recognition program set at 1 percent of payroll ($4 million). Even if a recognition program reduced turnover by just 20 percent, it would more than pay for itself — and that doesn't include all the other benefits of recognition.

Becoming a Best Place to Work. What is the financial benefit of being a great place to work? China Gorman, CEO of the Great Place to Work Institute, offers some statistics contrasting the performance of the 100 Best Companies against the U.S. average: Turnover among the 100 best companies ranges from 50 percent to 65 percent lower than the U.S. median. The headcount growth — an HR proxy for expanding business — of Best Companies is five times the rate of the U.S. average (15.4 percent versus 3.2 percent). Finally, a boost in reputation recruiting comes with being on the list.

Owning a Coveted Employer Brand. Fifteen years ago just a few visionaries in human resources used the term "employer brand." Now it's commonly understood as a critical part of recruiting. The distinctive employer brand attracts the right candidates to apply for jobs and decreases the cost of attracting candidates through advertising and other marketing efforts.

Increasing Productivity. Implicit in the increased engagement and energy brought about through recognition, productivity is one of the chief benefits. Gallup finds 21 percent higher productivity in highly engaged workforces.

Revenue and Valuation. Global management-consulting firm the Hay Group's research shows that companies with top engagement scores show 2.5 times the revenue growth of companies with low scores. For public companies, revenue growth means a higher valuation in the market.

How Social Recognition Impacts HR

We are in the early stages of a pervasive technological movement grouped under the umbrella term "big data." Huge sets of data are examined by powerful analytic tools at unimaginable speeds to generate insights about the past and present and even to predict the future.

You already see the effects of this nascent movement: Weather forecasts are more accurate. Marketers detect trends before they are obvious and create products to serve those trends. Retailers stock shelves with just enough products to meet demand. Web pages contain eerily personal advertising.

Big data is working its way into talent management as advanced HR systems mine data of all kinds to make informed predictions about, for example, which employees are most productive and why, which valuable employees are "flight risks" (in time to do something about the situation), and who might be a great succession candidate for a key position.

HR has had a smaller but important taste of modern data analysis in recent decades with the advent of human capital management (HCM) software for payroll and benefits management, compensation analysis, cost containment and other practices. It has been able to help measure outcomes of programs like employee wellness initiatives. Adoption has been slow, however, compared to other practices.

Social recognition's data and practices advance HR with talent insight across the HCM life cycle, from the moment a candidate encounters a company, through the hiring process and during a career. In the past, these insights might come from a particularly sensitive manager or HR professional, but in a large organization there are just too many people and too much activity for a single observer to reliably detect hidden patterns. That's the power of big data analysis — it observes far more than a person can, and with the sheer power to run large data sets, it observes patterns that might otherwise go unnoticed.

A sophisticated social recognition program can show these patterns. When you analyze many thousands of recognition moments and comments, you can produce key insights about how jobs get done, how teams should be configured, how communication and learning and collaboration happen across the hall and around the globe, and where to find your company's "hidden influencers"— that is, people who might not wield formal power but who are so trusted and widely known that their opinion carries great weight with peers.

Benefits of Talent Insight

Social recognition and the data it yields contribute to broader talent management in the practices of onboarding, finding hidden value, documenting and promoting best practices, spotting the quiet but important employees, spotting "cultural energizers," learning and development, retention, change management, succession planning, years-of-service awards, work circles, identifying management trouble spots, improving performance reviews and separating quality from quantity.

Will predictive analytics ultimately make 100 percent accurate calls on who should work at what, where and with whom in an organization? People will always surprise you with their capacity to grow and change.

Social recognition and the Power of Thanks will surely make your company a very successful place to work. The people who show up every day to live your mission and values, who put so much of their lives into working together under your company name, deserve no less.

RECOMMENDED READING LIST

If you liked *The Power of Thanks*, you'll also like:

1. ***Thanks for the Feedback* by Douglas Stone and Sheila Heen.** Stone and Heen explain why getting feedback is so crucial yet so challenging, and they offer a powerful framework for interpreting it.

2. ***Coaching for Breakthrough Success* by Jack Canfield and Peter Chee.** Canfield, coauthor of the *Chicken Soup for the Soul* series, and Dr. Chee offer a practical guide of 30 principles that every coach needs to succeed.

3. ***Full Engagement* by Brian Tracy.** This eye-opening guide explains how to unlock the potential of each person and motivate and inspire employees to peak performance.

SESSION FOUR: DIVERSITY, STRATEGY, AND LEADERSHIP

INTRODUCTION

This seminar continues HR professionals' inquiry into their role in inclusion and diversity in Mining. In this face-to-face session your primary responsibility is to facilitate HR professionals in knowledge, skill, and ability to influence the inclusion and diversity strategy in your mining organization. The learning activities in this face-to-face session drive home the learning objectives of being a champion for inclusion and diversity in mining, learning the skills necessary to influence key stakeholders in the inclusion and diversity agenda, and developing a plan for leading and navigating changes in inclusion and diversity in mining.

As previously stated, it is important to honour the previous learning, work, and experience of HR professionals enrolled in this webinar by encouraging them to share their best practices. In fact, look for bright spots in what is already being done and leverage that success for continued learning and growth. This session is primarily on leadership. HR Professionals are leaders. This session simply shores up the necessary knowledge and skills to influence persons of power and navigate change.

These are largely seasoned HR professionals who have a great deal of knowledge and skill in championing employment initiatives and working hand and glove with leaders. Use that previous learning to focus attention on and investment the investment they can make in their own growth.

Take care in continuing the line of work developed to this point. HR professionals have worked together on the scholarly work of inclusion and diversity in mining. They have "walked their organizations" to discern key successes and opportunities for growth. They have assessed their own "tool kits" for finding and keeping talent within their HR practices and determined key elements to be enhanced with a cultural competence lens. They have integrated communication and performance management strategies and tools for inclusion and diversity into their tool kits. Now, the focus is on them as leaders of leaders who can influence and lead change.

Learning Outcomes

Participants will learn to:

- Champion diversity and lead the conversation on inclusion and diversity in the workplace.
- Articulate the inclusion and diversity message clearly and persuasively to peers and leaders within your mining organization.
- Delineate barriers to change and develop strategies to address those barriers.
- Examine and use an eight-step process for successful organizational change.
- Apply knowledge and skills learned in this seminar to the specific case of influencing and leading changes for inclusion and diversity in your mining organization.
- Map a plan to lead change on inclusion and diversity in your mining organization.
- Celebrate your HR Professional community and learning.

Session Four Overview

6 hours

Activity 1: Sharing Stories of Success From Session Three (30 minutes)

Activity 2: Sharing Our Stories of Leaders We Respect (30 minutes)

Activity 3: Inclusion Workplace Index (60 minutes)

Activity 4: Influencing The Agenda of Inclusion (30 minutes)

Activity 5 Speaking Truth to Power (30 minutes)

Activity 6: Leading Change (90 minutes)

Activity 7: Goal Setting And Commitment Cards (30 minutes)

Pre-session Readings

To provide a foundation for discussions in this session, participants will read the following two required readings as preparation for the session.

- F*ierce Conversations* by Susan Scott, Soundview Executive Summary.
- *The Heart of Change* by John Kotter, Soundview Executive Summary.

As facilitator, you will be referencing both articles during the session.

ACTIVITY: SHARING STORIES OF SUCCESS FROM SESSION THREE

Activity 1 of 7: Sharing Our Success Stories

Welcome the Group

Review Session three by asking each HR professional to share his or her success stories with regard to communication and employee development. Encourage participants to share one action they have taken based on the work in the last webinar. For example, have they discussed the workplace communication model with a manager to help them understand the dynamics of communication?

Review the learning objectives (see above) and overview the activities for this session (see above). Objectives and Activities are also included on the Power Points.

ACTIVITY: SHARING OUR STORIES OF LEADERS WE RESPECT

Activity 2 of 7: Leaders We Respect

Ask participants to take a few moments and think back over the last several years and recall a compelling leadership experience that they have been a part of, whether as the leader or not. Ask them to try to recall the experience of leadership as if it were happening again today. What were the circumstances that made this leadership experience memorable?

Space has been provided in the participants' handbook for them to jot a few notes to create a vivid picture of this leadership experience.

As facilitator you may choose to share a story where you or others were included in a meaningful way as members of a community, team, or organization. Your story might help get participant's talking about leader's they respect.

It would be helpful to the conversation if the story you share has elements of acceptance, inclusion, compassion for individuals, etc. as elements of the story. This will get participants thinking in terms of the "human elements" of leadership.

Teams – Sharing Stories of Leaders We Respect

For this activity, ask participants to:

1. Join a team of 4 – 5 HR professionals.
2. Move to a comfortable place.
3. Take turns sharing your story of leadership. Listen intently as each person shares.
4. Encourage listeners may probe for depth and understanding regarding the leadership story. Listeners are encouraged to listen and question without being judgmental or jumping in to begin telling their story.
5. Tell participants that after each person have had an opportunity to share a story, the team should return to the first speaker and "tease out" the leadership values, attributes, and qualities that you heard in each story.
6. Point out that they have a page in their participant resource handbook (Our Stories) that can be used to record key components of the leadership stories and also key words related to the values, attributes, qualities, and best practices of the stories. Please be ready to share key words or phrases from your listening with the larger group.
7. Ask participants to reconvene with the large group to identify the values, attributes, qualities, and best practices that emerged during the telling of leadership stories.

Leadership Stories – Questions for Reflection

Invite participants to think about and discuss the following questions about their leadership stories. Do what you can as a facilitator to tease out elements of leading the journey in inclusion, diversity, and equity as a way to connect this activity to the larger vision for this program. The goal here is to have participants begin to see what Inclusive Leadership looks like from their own experiences.

Our Stories – A Reflection

What do the stories and the key values, attributes, qualities, and best practices in them say about leadership?

What surprised you about the stories?

What one thing did you learn from the story sharing experience?

Help participant see how the qualities, characteristics, and behaviours of Leaders We Respect become our moral compass and true north for influencing and leading change in inclusion and diversity in mining organizations?

ACTIVITY: INCLUSION WORKPLACE INDEX

Activity 3 of 7: Retaking the IWI, Comparing Pre- and Post- Inventory Results, Reflection on Personal Growth on the IWI

Please follow the procedures identified by TRIEC in Leading the Conversation for the Retake of the Inclusion Workplace Index.

Please share the following with participants. We are going to ask you to retake the Inclusion Workplace Index as a part of this session.

1. You will be given a copy of the IWI to complete. For purposes here called the Post-IWI.
2. Upon completion, you will receive a copy of their original IWI results. For purposes she called the Pre-IWI.
3. Take a few minutes and review your Pre- and Post- IWI results.
4. Reflect on differences in your scores and your growth during this program with regard to Inclusion in Mining.
5. Find a learning partner and share your insights.

Print Form

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Contact TRIEC today.
Phone: 416-944-1496 or
Email: triecinfo@triec.ca
Website: www.trieccampus.ca

Inclusive Workplace Index

You know that diversity and inclusion in your workplace give you a competitive advantage. But how much progress have you made towards building an inclusive workplace?

Identify where you believe your organization is on a scale **from 1** (no progress) **to 10** (fully inclusive workplace).

1 ○ 2 ○ 3 ○ 4 ○ 5 ○ 6 ○ 7 ○ 8 ○ 9 ○ 10 ○

TRIEC can help you move along this line!

Start by completing the self-assessment below. It's a tool your organization can use to identify priorities and measure progress towards building a culturally inclusive workplace. Once complete, identify those areas where you want to focus. TRIEC can then help you with the tools, resources and support to take action.

1 = Never considered
2 = Thinking about it
3 = Have a plan
4 = Working on it
5 = Fully implemented

Diversity Strategy	1	2	3	4	5
We have a diversity and inclusion strategy with a vision statement that positions diversity and inclusion as a priority and ties it to our mission.	○	○	○	○	○
Our diversity strategy includes specific objectives related to: • Recruiting and developing skilled immigrant talent • Achieving the same cultural representation within the workforce as within our reference population (e.g. clients or community) • Ensuring equitable representation of skilled immigrant talent at all levels of the organization	○	○	○	○	○
We track key performance indicators related to our diversity and inclusion objectives (e.g. number of immigrant employees, representation at different levels).	○	○	○	○	○
Communications	**1**	**2**	**3**	**4**	**5**
Our communications policies include guidelines to ensure all forms of communications are clear, and free of jargon and cultural bias.	○	○	○	○	○
Our internal and external communications highlight the role and benefits of cultural diversity and skilled immigrant talent with the organization.	○	○	○	○	○
We have a formal process for employees to communicate their concerns about diversity issues in a non-threatening manner, and all employees are made aware of this process upon hiring.	○	○	○	○	○
We provide our staff with tools and supports to promote cultural competence (i.e. strategies for effective cross-cultural communication and how culture shapes workplace interactions).	○	○	○	○	○

1 = Never considered
2 = Thinking about it
3 = Have a plan
4 = Working on it
5 = Fully implemented

...continued

Leadership	1	2	3	4	5
We regularly (at least annually) review and update our policies related to immigrant inclusion (e.g. employment equity, religious accommodation) to address emerging and evolving issues and international best practices.	○	○	○	○	○
We have a mechanism to oversee the implementation of our diversity and inclusion strategy (e.g. diversity committee or council).	○	○	○	○	○
Our senior managers are accountable for reporting regularly (at least annually) on the organization's progress in meeting our immigrant inclusion objectives.	○	○	○	○	○

Recruitment	1	2	3	4	5
We have recruitment policies in place to remove any barriers that may keep immigrants from applying or qualifying for positions.	○	○	○	○	○
We post our job openings with organizations that provide access to new immigrant talent (e.g. community agencies, professional immigrant networks).	○	○	○	○	○
Our recruiters and interviewers receive training on bias-free recruitment, selection and hiring and are monitored for its application.	○	○	○	○	○

Onboarding	1	2	3	4	5
We have onboarding policies and procedures that are designed specifically to help newcomers understand the organization and their role within it.	○	○	○	○	○
Our onboarding processes extend over several months, involve managers directly and are supported by mentors and peer networks.	○	○	○	○	○
Our onboarding practices include: • Being explicit about expectations • Opportunities to develop necessary skills • Coaching to explain the nuances of the workplace	○	○	○	○	○

Employee Development	1	2	3	4	5
We help all our employees to understand our diversity and inclusion strategy, why it is important and how it applies to them (e.g. the potential for bias and the importance of cultural competence).	○	○	○	○	○
Our employee development policies cover both hard and soft skills, include a cultural competence requirement and strive for equitable opportunities for growth and promotion.	○	○	○	○	○
Our employee development processes set out clear expectations regarding cultural competence and provides the training and resources to develop these skills.	○	○	○	○	○
All our employees have the opportunity to develop their skills both for their current position and longer-term career paths in order to achieve their full potential.	○	○	○	○	○

ACTIVITY: INFLUENCING THE AGENDA OF INCLUSION

Activity 4 of 7: Being a Champion for Diversity and Inclusion – Your Elevator Speech

Point out that as HR Professionals participants are leading important initiatives and agendas every day. They are a leader that many respect because they bring knowledge, skill, best practices, coaching and help to those in their organization regardless of positional role and power in the mining industry. Managers look to them for advice, tools, and strategies for hiring, retaining, developing, and recognizing employees. Team members in the mining organization come to them for advice and council on transitions in their careers, difficult conversations, healthcare/ benefit conversations, and for help with inclusion and equity.

Others in mining organizations count on these participants to be their guide in setting the course for the organization, helping to influence and achieve the outcomes of that vision, and right-sizing or correcting issues that come to their attention. In short, these HR professionals sit in a key leadership position in their mining organization.

Help participants understand that they lead from the middle where must lead down and across to team members, colleagues, managers, and supervisors. They also must lead up to senior staff and leaders. They are in fact a 360-Degree leaders sitting in the middle of the organization and everything they do affects those around them regardless of their position or power. And, the HR professional’s leadership is most often achieved through influence and not power, resource management not position, vision and not mandate.

Please find a reading, “Being a 360 Degree Leader by John Maxwell in the tool kit for this customization. As the facilitator you may elect to share this reading summary with participants in its entirety. You may elect to pull a few ideas about the importance of being a 360 Degree Leader from the reading to share with these HR professionals.

The fate of others - especially leaders in mining often depends often depends on HR professionals actions. No other work group in organizations needs to permeate the rank, power, level, and status of others in the organization more than they do.

Building the capacity for this essential 360-Degree Leadership of HR professionals leadership requires an appreciation for and knowledge and skills in influence and change management that is why we have included extra readings on Managing Up, and 360 Degree Leadership for you to share as you find appropriate.

How to Influence the Agenda

The activity for this section is powerful. HR professional will work on and deliver their "elevator speech" on inclusion in mining. Two different formats are provided as template for participants to use in the preparation of their "elevator speech." Additional readings are also included in the toolkit.

The first template for creating an elevator speech asks participants to clearly and simply respond to the following as the foundation of their elevator speech:

This is where we're going.
This is why we're going there.
This is who is going with us.
This is how we're going to get there.

Ask participants to turn to a learning partner in the session and work together on their elevator speech.

Ask participants to use the knowledge and skill from all of the sessions: Session 1: The Inclusion Breakthrough, Session 2: Recruiting and Onboarding, Session 3: Communication and Development, and this session, Session 4: Diversity, Strategy, and Leadership.

Ask them to think back to the leader they respect and consider what that leader's Elevator Speech might sound like?

Elevator Speech, Option 2

Point out that as a business sector enterprise, one's elevator speech might need to be focused on your mining "score card." Participants may find the following template or format has a better fit with the needs their needs and stakeholders. Offer this optional format for participants to use in developing their elevator speech:

1. **Who do we serve?** Focus on one specific core group. Point out that by serving this core group, the organization can better serve other groups as well.
2. **What is our core strength?** This question focuses on why the team will win on this issue. This should be one clear and specific reason, and not something vague such as "our culture" or "our people." People want to know exactly what about their culture or people will enable success or make their mining organizations successful.
3. **What is our core score?** One key metric to use in measuring progress. Deciding the one specific measure to use in keeping score results in driving the actions that are taken. You will need one, simple, clear metric to rally the mining organization around.
4. **What actions can we take today?** Provide a few very specific and unambiguous actions that can be taken immediately. Recruiting, onboarding, etc.

Again, this is an active learning session. Participants should craft the language of their elevator speech, work with a partner to practice, and present their elevator speech to the larger group.

ACTIVITY: SPEAKING TRUTH TO POWER

Activity 5 of 7: Being a Champion for Inclusion and Diversity in Mining – Speaking Truth to Power

One of the key issues that emerged from the needs assessment and data collection for this project was the need for knowledge and skill in "speaking truth to power" with regard to the importance of inclusion in mining.

You will find 2 articles by Susan Scott in the toolkit for this customization that will help you with delivering this section of the session. Basically, you will be asking participants to create an "opening statement" – not unlike their "elevator speech" that they will use to "get into" conversations of importance on inclusion in mining.

Lead participants through the process of using the following template or steps to set the stage for "speaking truth to power." Again, the articles in the tool kit will be helpful to you in your facilitation and may be something you want to provide to participants for their future study.

- Ask participants to consider the following as they lead up:
- Advocate your position clearly and succinctly.
- Illustrate your position by sharing the thinking behind it.
- Publicly test your views and invite and encourage others to do so as well prior to leading up.
- Inquire into the views of others and actively explore their thinking.

Help participants practice their "opening statement" so that they are more comfortable speaking truth to power. Here is a great formula for their opening statement. Have an example yourself. Ask participants to work with a learning partner to create their opening statement on inclusion in mining.

The Opening Statement

Share this with participants:

Speaking Truth to Power requires thoughtful preparation. Preparation of your opening statement is essential. Do your homework. Write down your opening statement and practice saying it out loud. If you just rehearse it in your head, when the curtain goes up you may be appalled at the words that actually come out of your mouth. There are seven components to an opening statement:

1. Name the issue.
2. Select a specific example that illustrates the behaviour or situation you want to change, advocate, or address.
3. Describe your passions (emotions) about this issue (within appropriate boundaries).
4. Clarify what is at stake.
5. Identify (briefly) the contributions you (or your department) are willing to make.
6. Indicate your wishes with regard to this issue.
7. Invite your leader to respond.

Application Exercise for Speaking Truth to Power

Skills Practice on Speaking Truth to Power

Provide these directions:

1. Please choose a learning partner
2. Work through the 7 steps of "Speaking Truth to Power" on the issue of inclusion and diversity.
3. Practice taking turns saying your "Truth to Power" opening statement out loud.
4. We will ask volunteers to role-play with us, your facilitators, through the process of delivering your "opening statement."

Key insights on speaking truth to power:

1. Starting the conversation is the hardest part of getting your leader's attention and creating confidence for you in "speaking truth to power."
2. Once you are in the conversation, rely on your learning from these 4 sessions and the HR Tool Kit to keep you leader engaged in the conversation.
3. As always, your job as a HR Professional is largely a job of "teaching" your leader the important, key, and salient points about inclusion and diversity.
4. You know that her or his time is your leader's most important commodity, use it wisely and share your learning in such a way as to help your leader be prepared to follow your lead and influence on this important topic in mining.

As facilitator set up some scenarios where participants get a chance to use their "opening statement" to speak truth to power to:

- A manager who wants to "by-pass" inclusion and diversity policy and hire a "friend."

- A leader, in your mining company, who wants to know what you are doing in HR to help with the agenda on inclusion and diversity.

- A supervisor who "kind of gets it," but is "dragging his or her feet on implementing inclusion and diversity measures to recruit, hire, and develop immigrant talent.

ACTIVITY: LEADING CHANGE

Activity 6 of 7: Mapping Change Strategy for Inclusion

Activity 6 is an active learning case study where participants will have the opportunity to apply the 8-step change model of John Kotter. A summary reading of one of Kotter's bestselling books, The Heart of Change, is included in the toolkit for this session. You will find the reading helpful in understanding the 8-step model of change. The model along with the detailed notes in the appendix of this facilitator guide (and included as an appendix for participants in their handbook for session 4) will provide needed information on the steps, what works, what does not work, and potential strategies for leading change.

While the model provides the framework, previous work in all 4 sessions of this program provide the content for leading change. Participants have been building their knowledge and skill in progressive and layered ways to this point in the program. Now it is time to put that knowledge to work for the benefit of inclusion in mining.

Overview of the Eight-Step Model of Change by John Kotter

Step	Action	New Behaviour
1	Increase urgency	People start telling each other, "Let's go, we need to change things!"
2	Build the guiding team	A group powerful enough to guide a big change is formed and they start to work together.
3	Get the vision right	The guiding team develops the right vision and strategy for the change effort.
4	Communicate for buy-in	People begin to buy-in to the change, and this shows in their behaviour.
5	Empower action	More people feel able to act, and do act, on the vision.
6	Create short-term wins	Momentum builds as people try to fulfill the vision, while fewer and fewer resist change.
7	Don't let up	People make wave after wave of changes until the vision is fulfilled.
8	Make changes stick	New and winning behaviour continues despite the pull of tradition, turnover of change, leaders, etc.

Please reference the detailed notes on each of the 8 steps in the appendix of this participant handbook. See also, Executive Summary of The Heart of Change by John Kotter provided for your review.

Your job as facilitator for Activity 5: Mapping Change Strategy for Inclusion is to introduce the 8-step model. Please do not lecture on the model. These resources have been designed in such a way as to provide participants with resources for their own learning as they work the case study.

You may elect to move through the pages of the appendix with participants and point out the bolded notes as key elements to keep in mind during the case study.

Your task is to set the groundwork for the case study by:

1. Asking participants to join a team of 4 – 5 others
2. Asking participants to preview the content and worksheets in the appendix on leading change
3. Answering any questions regarding the content on leading change using your knowledge of the change process or the considerable resources provided in the toolkit for this session
4. Setting participants to work on teams
5. Monitoring teams and providing assistance as needed
6. Calling the teams back to the larger group after 60 minutes of team work time
7. Asking teams to present their work
8. Adding key elements regarding change, inclusion, etc. as each team finishes their presentation
9. Celebrate the case study learning and encourage participants to implement the change process and their strategies in their mining organization

These are the directions you should give for the change case study process:

1. Join a team.
2. Identify a change initiative for inclusion in the mining industry (can be as focused as a new onboarding process, new performance feedback process, or as general as leading inclusion in mining)
3. Overview all the steps and the work pages in the appendix
4. Return to the first step and begin to apply the steps to your chosen change initiative
5. Work all steps; do not get stalled out on one step. The change process is complicated – sometimes you have to move forward and then back to achieve the change outcome you desire.
6. Using a flip chart, record your strategies and tactics to share with the larger group at the end of the case study. Work pages are provided in the appendix for you to keep a record of your conversations.
7. Present your change case study to the larger group by walking through the 8-steps and your key strategies for implementing change in inclusion in mining.

ACTIVITY: GOAL SETTING AND COMMITMENT CARDS

Activity 7 of 7: Goal Setting and Commitment Cards

As you celebrate and close the Leading the Journey Toward Inclusion in Mining session it is important to take stock of participants learning and generate commitments for moving forward on inclusion in mining. Activity 7 does exactly that.

Facilitator process for the goal setting and commitment cards activity:

1. Provide each participant with 3 – 5 3X5 note cards.
2. Ask participants to make 3 commitments to the inclusion and diversity agenda in mining.
3. Ask participants to write each of their commitments on a 3X5 card
4. Encourage participants to put the card in a place where you will see it often (your wallet, on your office computer, etc.)
5. Encourage participants to reflect on, journal, or share with a learning partner as they work forward on their commitments.
6. Tell participants that you will be following up with them on their success on inclusion in mining.

Close this session by thanking participants for their engagement and hard work on Leading the Journey Toward Inclusion in Mining.

Provide your follow-up information.

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Lior Arussy, *Next Is Now: 5 Steps for Embracing Change — Building a Business that Thrives into the Future* (2018). Simon & Schuster

SESSION FOUR READINGS AND RESOURCES

REQUIRED READINGS

Reading 1: *Fierce Conversations,* Susan Scott.
Reading 2: *The Heart of Change*, John Kotter.

OPTIONAL READINGS

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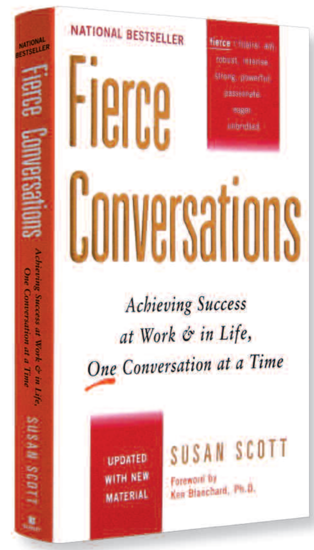
Career & Self-Development: Communication

Fierce Conversations

Achieving Success at Work & in Life, One Conversation at a Time

Bonus Summary



by Susan Scott

THE SUMMARY IN BRIEF

Business is fundamentally an extended conversation — with colleagues, customers, partners and the unknown future emerging around us. Unfortunately, many conversations fail.

Conversations are the work of a leader and the workhorses of an organization. While no single conversation is guaranteed to change the trajectory of a career, a company, a relationship or a life — any single conversation can.

Practicing and championing fierce conversations company-wide enhances employees' capacity to serve as effective agents for strategic success, structuring the basis for high levels of alignment, collaboration and partnership at all levels within the organization.

Whether it's coming up with a big idea, transforming a company into a great place to work, improving customer-renewal rates, enhancing cross-boundary collaboration or providing leadership development and the healthier financial performance that goes with it — success occurs one conversation at a time.

We effect change by engaging in robust conversations with ourselves and others.

Each conversation we have with co-workers, customers, significant others and children either enhances those relationships, flattens them or takes them down.

In *Fierce Conversations*, executive development expert Susan Scott explores principles and practices that will help you engage in conversations that interrogate reality, provoke learning, tackle tough challenges and enrich relationships, no matter how sensitive the topic.

IN THIS SUMMARY, YOU WILL LEARN:

- How to overcome the barriers to meaningful communication.
- How to expand and enrich conversations with colleagues, customers, friends and family members.
- How to increase clarity and improve understanding.
- How to handle strong emotions — on both sides of the table.

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THE COMPLETE SUMMARY: **FIERCE CONVERSATIONS**

by Susan Scott

The author: Susan Scott teaches positive change through powerful communication. Her firm, Fierce Inc., is an internationally recognized leader in cultural transformation and executive education. For 13 years, Scott ran think tanks for executives through Vistage International, a CEO development organization. Previously, Scott served as vice president of the Pace Network, a search firm in Seattle, and also as a regional manager for Context Associated, a training organization headquartered in San Francisco.

Fierce Conversations: Achieving Success at Work & in Life, One Conversation at a Time by Susan Scott. Copyright © 2002, 2004 by Fierce Conversations Inc. Summarized by permission of the publisher The Berkley Publishing Group, a division of Penguin Group (USA) Inc. 287 pages, $15.00, ISBN 978-0-425-19337-2 To purchase this book, go to www.amazon.com or www.bn.com.

Introduction: The Idea of Fierce

In *Roget's Thesaurus*, the word *fierce* has the following synonyms: robust, intense, strong, powerful, passionate, eager, unbridled, uncurbed, untamed. In its simplest form, *a fierce conversation is one in which we come out from behind ourselves, into the conversation, and make it real.* While many people are uncomfortable with "real," it is the unreal conversations that should scare us because they are incredibly expensive for organizations and for individuals. Every organization wants to feel it's having a real conversation with its employees, its customers, its marketplace and with the unknown future that is emerging around it. Each individual wants to have conversations that are somehow building his or her world of meaning.

If you are a leader, your job is to accomplish the goals of the organization. How will you do that in today's workplace? In large part, by making every conversation you have as real as possible.

Getting Started

Begin by listening to yourself as you've never listened before.

Begin to overhear yourself avoiding the topic, changing the subject, holding back, telling little lies (and big ones), being imprecise in your language, being uninteresting even to yourself. And at least once today, when something inside you says, "This is an opportunity to be fierce," stop for a moment, take a deep breath, then come out from behind yourself, into the conversation, and make it real. Say something that is true for you.

When you do, whatever happens from there will happen. It could go well or it could be a little bumpy, but at least you will have taken the plunge. You will have said at least one real thing today, one thing that was real for you. Something will have been set in motion, and you will have grown from that moment. Once you master the courage and the skills and begin to enjoy the benefits of fierce conversations, they will become a way of life.

Principle 1: Master the Courage to Interrogate Reality

No plan survives its collision with reality, therefore, whether you are running an organization or participating in a committed relationship, you will find yourself continually thwarted in your best efforts to accomplish the goals of the "team" unless reality is regularly and thoroughly examined. Describing reality, however, can get complicated because there are multiple realities existing simultaneously on almost any and every topic.

Most leaders have learned from experience that until the multiple — sometimes conflicting — realities of key individuals and constituents have been explored, implementing a plan can be a decidedly tentative endeavor. To the degree that you resist or disallow the exploration of differing realities in your workplace and at home, you will spend time, money, energy and emotion cleaning up the aftermath of plans quietly but efficiently torpedoed by individuals who resent the fact that their experience, opinions and strongly held beliefs are apparently of little interest to the organization.

Three Stages

There are three stages of interrogating reality. The first step is to identify the issue on the table and, if you have a

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solution in mind, make a proposal. Be clear and concise. "This is the issue. This is what I propose, for these reasons."

An alternative approach is to withhold your ideas until others have shared theirs; however, conversations are best launched when there is a well-defined idea offered as a jumping-off place for everyone's thinking and discussion. If you don't have a proposal, simply identify the issue and proceed.

When you are in the presence of knowledgeable but cautious individuals, once you've made your proposal or described the issue, don't just ask, "What do you think?" Invite questions. Check for understanding. Say, "Before we go any further, please ask any clarifying questions you may have." If you notice someone who is silent but looks puzzled or concerned, ask, "Alison, what questions do you have?"

Check for Agreement

Once you are certain that everyone understands what you are proposing, check for agreement. For example: "I believe this is the right way to go, the right course of action. But I suspect some of you may see it differently. If you do, I'd like to hear it. I know that my enthusiasm may make it hard to challenge me, but my job is to make the best possible decisions for the organization, not to persuade you of my viewpoint. So please speak up." Then proceed to call on every individual at the table. "Mike, what's your perspective on this? I invite you to push back on what I've said."

This kind of invitation will get people to open up because you publicly, openly and actively encouraged them to share opposing views. You've shown that you are open to rational influence.

Do the same thing following the sharing of others' ideas. "Jim, what is your perspective on Mike's idea?"

The Right Sequence

Thus, the sequence in interrogating reality is:

1. Make a proposal.
2. Check for understanding.
3. Check for agreement.

What's the payoff for interrogating multiple realities? Original thinking and innovation becomes possible. Most importantly, the best decisions will be made and implemented.

Mineral Rights

The "Mineral Rights" conversation model is based on the idea that, "If you're drilling for water, it's better to drill one 100-foot well than 100 one-foot wells." This conversation interrogates reality by mining for increased clarity, improved understanding and impetus for change.

Mineral rights will help you drill down deep on a topic by asking your colleague, customer, boss, direct report, spouse, child or friend a series of questions. This is a natural exploration that accomplishes all four purposes of a fierce conversation:

1. **Interrogate reality.**
2. **Provoke learning.**
3. **Tackle tough challenges.**
4. **Enrich relationships.**

The questions asked during a Mineral Rights conversation help individuals and teams interrogate reality in such a way that they are mobilized to take potent action on tough challenges.

The questions are:

1. What is the most important thing we should be talking about today?
2. What is the core, underlying issue?
3. What current results is this creating?
4. If nothing changes, what's likely to occur?
5. Where are your fingerprints on this issue?
6. What is the ideal outcome you envision?
7. What is the next most potent step you need to take?

And throughout this conversation, probe for emotion. "When you consider those results, what do you feel?" "When you consider that possible outcome or scenario, what do you feel?" Emotion gives the lit match something to ignite.

Principle 2: Come Out From Behind Yourself, Into the Conversation, and Make It Real

You are an original, utterly unique human being. You cannot have the life you want, make the decisions you want or be the leader you are capable of being until your actions represent an authentic expression of who you really are or who you wish to become.

In the context of fierce conversations, authenticity requires that you pay attention to Woody Allen's first rule of enlightenment: "SHOW UP!"

You must deliberately, purposely come out from behind yourself, into the conversation, and make it real — at least *your* part of it.

How real are any of us if we do not share our doubts and dark days with those closest to us, if we do not claim our failures as well as our successes? Authenticity is not something you have; it is something you *choose*.

Healthy Selfishness

Even individuals who wield significant power at times withhold their real thoughts and feelings from those central to their success and happiness. It has much to do with the underlying impulse to survive by gaining the approval and support of others (boss, customer, co-worker, family member, significant other) who we imagine hold the keys to the warehouse wherein is kept everything we want and need. To ensure that such power brokers are on our team, we aim to please. While the desire to please is not a flaw, at crucial crossroads we sometimes go too far. *Way* too far. When faced with a so-called moment of truth, we find ourselves chucking the truth over the fence or tucking it behind the drapes in exchange for a trinket of approval.

Some fear that becoming authentic is a form of selfishness, and unknowingly limit the possibilities within their relationships, feeling it's inappropriate to put their own interests first. After all, what would people think?

Consider this: Successful relationships require that all parties view getting their core needs understood and if possible, met as being legitimate. You won't articulate your needs to yourself, much less to your work team or life partner, until and unless you see getting your needs met as a reasonable expectation. So pry the permission door open just far enough to consider that you have a right to clarify your position, state your view of reality and ask for what you want.

Individuation

Coming out from behind yourself is part of the search, whether born of panic or courage, for that highly personalized rapture of feeling completely yourself, happy in your own skin. It is a reach for authenticity — a process of individuation — when you cease to compare yourself with others and choose, instead, to live *your* life. It is an opportunity to raise the bar on the experience of your life. It is a deepening of integrity — when who you are and what you live are brought into alignment. No more damping down your soul's deepest longings in order to get approval from others. As André Gide wrote, "It is better to fail at your own life than succeed at someone else's."

The principal job at hand is to intertwine addressing your current business and personal issues with self-exploration and personal development, building a bridge between yourself as a person and yourself as a professional.

Our companies, our relationships and our lives are mirrors accurately reflecting us back to ourselves. The results with which we are pleased reflect parts of ourselves that are working well. The results that disappoint and displease us reflect aspects of ourselves — beliefs, behaviors — that simply aren't working.

We can see an organization, department or relationship with clarity only when we look ourselves full in the face.

The Seven Principles of Fierce Conversations

1. Master the courage to interrogate reality.
2. Come out from behind yourself, into the conversation, and make it real.
3. Be here, prepared to be nowhere else.
4. Tackle your toughest challenge today.
5. Obey your instincts.
6. Take responsibility for your emotional wake.
7. Let silence do the heavy lifting.

Rewards

What are the rewards for coming out from behind yourself, into your conversations, and making them real? You will find yourself abandoning the safety of confusion for the juice and motivation of clarity. You will nurture your own deepening authenticity and the emergence of healthier, more effective qualities and behaviors. Your desire to control others will be balanced with the willingness to surrender. As a result, you will move toward what you desire — a happier marriage, personal freedom, professional accomplishment, a life that simply fits you better. A lot better. The experience of being awake, alive and free.

Principle 3: Be Here, Prepared to Be Nowhere Else

Being truly present in a conversation is, sadly, a rare experience often because we are multi-tasking, eyeing our emails or thinking about something other than the conversation that is right in front of us, the one that wants and needs to take place. But it is only when we genuinely "see" the people who are important to us, that we can hope to succeed as agents for positive change.

Having ignored, misheard and misread many individuals throughout our lifetime, however, we often find that discovering someone else's authentic self can be complicated by our increasing cynicism.

Yet we must learn to rebuild the links that connect people and that provide an effective antidote to cynicism and disaffection. We must transform the way we speak, the way we ask, the way we listen. How do we get to know another person? How do we get past "How are you? I'm fine."?

By really asking and really listening. By being with someone, even if only for a brief moment, prepared to be nowhere else.

The One-on-One

For both personal and professional relationships to move forward or upward, you must have fierce affection for the other person. You must have genuine curiosity about what is going on with that person at any given time. You must have an insatiable appetite for learning more every day about who he or she is. Occasionally set aside all of the topics ping-ponging inside your own head and simply be with this other person, here and now.

All this *being present* stuff does not involve listening endlessly to someone telling you more than you ever wanted to know about a series of boring topics.

The conversation is the relationship. One conversation at a time, you are building, destroying or flatlining your relationships. It is possible, however, to create high-intimacy, low-maintenance relationships — one relatively *brief* conversation at a time.

Soft Eyes and Ears

One of the basics of being present is eye contact. Being here, prepared to be nowhere else, does not require maniacal eye contact during your conversations. Many people want to back away from an avid individual whose eyes seem to drill through us and out the other side. Better to have "soft eyes."

Instead of trying to focus on any one thing, if we soften our eyes and allow the world to come to us, we will see a great deal more. We will catch subtle motion. Our peripheral vision will become acute.

The same thing happens with our listening. We may succeed in hearing every word yet miss the message altogether. There is so much more to listen to than words. Listen to the whole person.

When we listen beyond words for intent, for the scaffolding on which a story hangs, clarity and character emerge. We need to listen this way to ourselves, not just to others.

Principle 4: Tackle Your Toughest Challenge Today

Hand in hand with the courage to interrogate reality comes the courage to bring to the surface and confront your toughest, most often recurring personal and professional issues.

Remember, enriching relationships is one of the purposes of a fierce conversation.

Below is a model that can be used when you need to confront someone's behavior or coach someone else to do so. If you wish to craft conversations that moderate our worst conversational tendencies, you should:

- Advocate your position clearly and succinctly.
- Illustrate your position by sharing the thinking behind it.
- Publicly test your views, and invite and encourage others to do so as well.
- Inquire into the views of others and actively explore their thinking.

Challenging conversations can be broken down into three distinct parts: opening statement, interaction and resolution.

The Opening Statement

Preparation of your opening statement is essential. Do your homework. Write down your opening statement and practice saying it out loud. There are seven components to an opening statement:

1. **Name the issue.**
2. **Select a specific example that illustrates the behavior or situation you want to change and the negative results it is currently creating.**
3. **Describe your emotions about this issue.**
4. **Clarify what is at stake if nothing changes.**
5. **Identify your contribution to this problem.**
6. **Indicate your wish to resolve the issue.**
7. **Invite your partner to respond.**

You have 60 seconds to do it all.

The Interaction Phase

The next part of the confrontation model is the interaction phase:

Inquire into your partner's views. If your partner says something with which you violently disagree, resist the temptation to build a stronger case. Simply listen so that your own learning may be provoked. Ask questions. Dig for understanding. Use paraphrasing and perception checks; don't be satisfied with what's on the surface. For example: "May I tell you what I'm hearing? I want to make sure I've understood you."

Rather than jump back in and start talking as soon as your partner says something you feel is off base, focus on examining your partner's reality and his or her filters.

Finally, when your partner knows that you fully understand and acknowledge his or her view of reality, move toward resolution, which includes an agreement about what is to happen next. This is the longest part of the conversation.

The Resolution

Throughout the interaction phase of confrontation, reality is interrogated, learning is provoked and relationships are enriched. Now it's time to come to an agreement about what happens next. After all, you said your intent was to resolve the issue, and the following questions will help you accomplish this:

What have we learned? Where are we now? Has anything been left unsaid that needs saying? What is needed for resolution? How can we move forward from here, given our new understanding?

How do you end the conversation?

Make an agreement and determine how you will hold each other responsible for keeping it.

When we confront behavior with courage and skill, we are offering a gift. And it goes both ways. While it may be difficult to hear others' truths about ourselves, there is likely to be a vein of gold worth mining.

Principle 5: Obey Your Instincts

How does an intelligent human being make poor decisions? When President Kennedy got the idea to invade Cuba, only one person, Arthur M. Schlesinger Jr., questioned this decision; however, other advisers talked Schlesinger out of bringing up his concerns. The invasion was a disaster.

Listen to Your Internal Voice

Obeying your instincts requires that you listen to your own internal voice, acknowledge your internal reference point, rather than rush to embrace the myriad references and voices of others. Most of us allow ourselves to be influenced or persuaded that the voice within us is mistaken, flawed, at best a distraction. And if we are intent on gaining others' approval, we are quick to discard our insights, commanding the voice inside us, "Shut up and go to your room."

In fierce conversations there is neither a struggle for approval nor an attempt to persuade. There is, instead, an interchange of ideas and sentiments, during which you pay attention to and disclose your inner thoughts while actively inviting others to do the same.

Listen to both sides of your brain as if you were hearing two conversations at the same time. One conversation is the literal conversation that is visible, audible. The other conversation is the one going on inside your head — what you are thinking and feeling.

Perception Testing

Bring some of your private thoughts and feelings into the neutral zone between your private thoughts and your public thoughts by noticing them without attachment. They aren't right or wrong. They just exist. Become interested in them as phenomena in the world, as if they were interesting shells you found on the beach. When you are ready you can bring these thoughts into the public conversation. If you like, you can use these words: "While you were speaking, I had a thought that I would like to check out with you …"

This is called "perception checking." It lets your partner in on what you have been thinking and feeling, but it doesn't invite defensiveness because you didn't interject your thoughts as the capital-T Truth.

Another approach is to ask a question to open up a willingness on another person's part. For example, you might ask, "Would you like to hear something I'm feeling [or thinking or wondering] right now?" Then, assuming your partner is willing and interested, share your thought.

What Is Appropriate?

And what if your instincts occasionally miss the target?

Consider this possibility: *Your confusion is an asset; in fact, your search for clarity may blaze a path for others.* In working to express what you do not understand — but long to understand — you invite the kind of conversations for which others are searching. If you begin to wonder what others will think of you, you won't be able to pursue original avenues. Look for the deepest issue that engages or troubles you. Familiarity with the unknown and with the fluidity of the world is essential. Speak your way toward it.

Principle 6: Take Responsibility for Your Emotional Wake

For a leader, there is no trivial comment. Something you might not even remember saying may have had a devastating impact on someone looking to you for guidance and approval. By the same token, something you said years ago may have encouraged and inspired someone who is grateful to you to this day. Everything each of us says leaves an emotional wake. Positive or negative. Our individual wakes are larger than we know.

An emotional wake is what you remember after I'm gone. What you feel. The aftermath, aftertaste or the afterglow.

Your Stump Speech

A leader's long-term performance is profoundly affected by the long-term spin the organization puts on him or her. Our emotional wake determines the story that is told about each of us in the organization. It's the story that's told when we're not in the room. It's the story that will be told about us after we're gone. It can be a wonderful story that makes us smile or a painful story with a bad ending.

If you are a leader, taking responsibility for your emotional wake requires that you have a stump speech that you are prepared to give anytime, anywhere to anyone who asks or who looks the least bit confused. Your stump speech must be powerful, clear and brief.

This is where we're going.

This is why we're going there.

This is who is going with us.

This is how we're going to get there.

Great leaders share their stump speeches with their teams and with their customers repeatedly, not only to convey a clear and compelling story but also to leave a positive emotional wake by providing such clarity that it is difficult to put a negative spin on their words.

Your Legacy

What is *your* story? How would you like to be interpreted? What is the legacy you want to leave? If the people in your organization could tell one story about you, what would you want it to be? What is the message you wish to deliver to *your* customers? What wake do you wish to leave following each conversation? The conversation is the relationship. In the workplace, this translates to your ongoing dialogue with all those essential to your success and that of your organization.

Many great leaders sustain a love affair with their work and their lives. They place their attention at the service of deep, long-term concepts and convictions in the workplace and the home. They possess a groundedness that comes from having wrestled core problems to the ground and lived to tell about it. They have become sensitized to the effect they have on others. They have become increasingly aware of the wake caused by their words and actions. Their perspective and goals have shifted as they recognized that leadership must be for the world, for the greater good, rather than for narrow personal interests.

Principle 7: Let Silence Do the Heavy Lifting

Many people attempt to forge relationships exclusively through words. Lots of words. However, the best leaders talk *with* people, not *at* them.

Talking at people is a common affliction. Did you know that eight out of 10 sales proposals fail? And 50 percent of those eight fail because we spend too much time talking about ourselves or the features and benefits of our product, and not enough time listening to the customer before we explained how wonderful doing business with us would be.

So Many Words, So Little Substance

Fierce conversations *require* silence. In fact, the more emotionally loaded the subject, the more silence is required. And, of course, this carries over into our homes, into our personal relationships. Often we are simply trying to intuit something about ourselves, our companions or the topics themselves. Sometimes we need silence in which to make a decision about the closeness we feel for our companions or the distance we feel from them.

Once in a precious while, silence is merely abstinence from self-assertion. For many work teams and couples, however, it is easy to fall into a conversational pattern that contains so many words, so much white noise, that it leaves all parties deaf to any comments of substance that could have been interjected into the conversation. Our habitual ways of talking with (or *at*) each other prevent us from allowing silence to help us get in touch with what we really want to say.

Slow Down

Sometimes a dramatic intervention is required to stop the words in order to start a conversation. There are issues that our colleagues and customers will ignore every time they come up. If we are not alert, we will walk with others right past the issue. We may sense that something is there, but the conversation is moving too fast. Or, because we are so invested in playing the role of "expert," we fill the air with words, missing the real issue entirely.

Silence is the greatest tool to slow down a conversation. As we talk with people, as we sit with them in silence, what is in the way — anger, numbness, impatience, manipulation, rigidity, blame, ego, cruelty, ambition, insensitivity, intimidation, pride — may fall away. It is in silence that such attributes, emotions and behaviors reveal themselves as unnecessary.

The Space Between Thoughts

Deepak Chopra refers to the space between thoughts as the place where insight can occur. The trouble is, for most of us, there is no space between thoughts.

While the occasional stream of consciousness can be illustrative, important conversations require moments of silence during which we may reflect on what someone has said and consider our responses, before opening our mouths. Otherwise, our knee-jerk responses may not reflect our highest and best thoughts. How could they? We haven't had a moment to consider what they might be.

How do we let silence do the heavy lifting? Provide it. Allow silence to fill in the greater meaning that needs to be there. Perhaps if I close my mouth, you'll open yours.

During company meetings, the best responses, the most brilliant solutions, often come from the person who has sat silently listening for a very long time while the rest of us filled the air with debate. Even when called upon, such an individual often appears reluctant to speak, sitting in reflective silence for agonizing moments while others click ballpoint pens and glance at their watches. Then he or she speaks, and everyone else in the room is compelled to shift to a broader, wiser perspective, with the result that elegant, complete answers begin to emerge.

Embracing the Principles

Fierce conversations are not a form of showing off or parading a rich vocabulary. Fierce conversations are an effort to understand — first of all, for yourself — something that is worthy of your pondering. They are deeply probing explorations. Speak about the things you want to understand. Most people want to share journeys of this kind. Forget about being clever or impressive. What is called for now is quiet integrity.

The secret is for you to show up — fully. You may be among people who don't support you. You may be among people who, loving or unloving, are simply not equipped to support the ambition of engaging in fierce conversations. This is not an unusual experience. The courage to show up is both simple and daunting. Once you show up, people can see you. They can judge and criticize and gossip. Some safety and comfort are lost

Never Mistake Talking for Conversation

- Talk *with* people, not *at* them.
- The more emotionally loaded the subject, the more silence is required.
- Use silence to slow down a conversation.
- Allow silence to fill in the greater meaning that needs to be there.
- Allow silence to teach you how to feel.

when an ambition or strongly felt emotion is expressed. Perhaps, if you have become impatient with the false identity you have created for yourself, life is inviting you into much larger worlds than you have imagined.

Intimacy is required in conversation now — at home and in the workplace. We must answer the big questions in our organizations: What is real? What is honest? What is quality? What has value?

How to Effect Change

We effect change by engaging in robust conversations with ourselves, our colleagues, our customers, our family, the world. Your ability to effect change will increase as you become more responsive to your world and to the individuals who are central to your happiness and success.

Change the world — one conversation at a time. The world will be well served if each of us makes a strong personal choice to pay fierce attention to every conversation that we have.

It is not enough to be willing to speak. The time has come for you *to speak*. Be willing to face mutiny everywhere but in yourself. Your time of holding back, of guarding your private thoughts, is over. Your function in life is to make a declarative statement. Sit beside someone you care for and begin.

RECOMMENDED READING LIST

If you liked *Fierce Conversations*, you'll also like:

1. ***Transparency* by Warren Bennis, Daniel Goleman and James O'Toole.** Digital technology makes transparency all but inevitable in this era. Three essays offer leaders practical advice on how to embrace transparency as a good thing, even if it's not an easy one.
2. ***Winning With People* by John C. Maxwell.** Good relationships provide the substance we need to live successful and fulfilling lives. Maxwell offers the tools that can help improve your existing relationships and cultivate strong new ones.
3. ***The Speed of Trust* by Stephen M.R. Covey.** The one thing that is common to every individual, relationship, team, family, organization and nation is trust. The ability to establish, grow, extend and restore trust is the key leadership competency of the new global economy.

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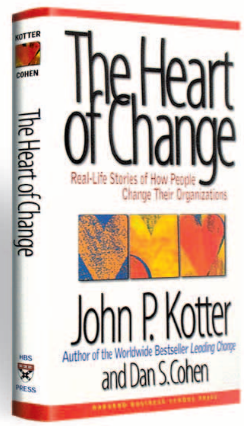

By John Kotter and Dan Cohen

Real-Life Stories of How People Change Their Organizations

THE HEART OF CHANGE

THE SUMMARY IN BRIEF

If you've ever tried to change anything, you know how hard it is. How do you go about getting your message across to truly change people's behavior?

While most companies believe change happens by making people think differently, that isn't the case. Instead, according to John Kotter and Dan Cohen, change happens when you make people feel *differently.*

You have to appeal more to the heart than the mind.

In this summary, you will learn about a new dynamic — the "see-feel-change" dynamic that fuels action by showing people potent reasons for change that spark their emotions. Built around the eight steps of change first introduced in Kotter's bestseller, Leading Change, The Heart of Change *gives straight advice on successful change — and true stories of companies making change happen.*

CONTENTS

What You'll Learn In This Summary

In the following pages, you will learn about:

✓ **The Heart of Change:** Why people succeed and why they fail at large scale-change and how you can use an eight-step path to success.

✓ **The Need for Urgency:** You will see why you must raise feelings of urgency so that people start telling each other "we must do something."

✓ **Building the Guiding Team That Gets the Vision Right:** You need the right group of people with the right vision to start the change process.

✓ **Communicating for Buy-in:** You will send clear messages about change and remove barriers to those changes.

✓ **Creating Early Wins and Not Letting Up:** You will see why creating an early win is important and why you have to keep momentum up.

✓ **Making Change Stick:** You will learn how to change your organization's culture so that change will stick.

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The Heart of Change

People change what they do because they are shown a truth that influences their feelings. This is especially so in large-scale organizational change, where you are dealing with new technologies, cultural transformation, globalization and e-business. In an age of turbulence, when you handle this reality well, you win.

To understand why some organizations are leaping into the future more successfully than others, you need first to see the flow of effective large-scale change efforts. Change is an eight step process that few handle well. These steps are:

1. **Create a sense of urgency** so that people start telling each other "Let's go, we need to change things!"
2. **Pull together a guiding team** powerful enough to guide a big change.
3. **Create clear, simple, uplifting visions** and sets of strategies.
4. **Communicate the vision through simple, heart-felt messages** sent through multiple channels so that people begin to buy into the change.
5. **Empower people** by removing obstacles to the vision.
6. **Create short-term wins** that provide momentum.
7. **Maintain momentum** so that wave after wave of change is possible.
8. **Make change stick** by nurturing a new culture. ■

See, Feel, Change

Changing one person is hard enough, but changing 100 or 1000 is an almost Herculean task. Yet organizations are doing just that. Most that do so successfully focus on showing what needs to be changed. Once people respond emotionally to the lesson, their emotional reactions propel them into action. They see, then feel, then change. To help them make the leap, you must:

✓ Help people see the need for change with compelling, eye-catching dramatic situations to visualize problems and solutions.

✓ Let people feel as they are hit with the reality of their situation and feel the need to act.

✓ Let people take their emotionally charged ideas into action.

Increase Urgency

In successful change efforts, the first step is making sure sufficient people act with sufficient urgency — with on-your-toes behavior that looks for opportunities and problems and energizes colleagues, that beams a sense of "let's go." Without urgency, large-scale change won't happen.

Four sets of behaviors often stop change. The first is complacency, driven by false pride or arrogance. The second is immobilization and self-protection, driven by fear or panic. The next is "you-can't-make-me-move" deviance, driven by anger. And the last is a pessimistic attitude, leading to constant hesitation. These behaviors prevent people from taking action. Instead, they hold back or complain as others initiate new action. The result is that a needed change effort is derailed.

The first step is not to create a vision. This is especially true if your organization is in crisis, if alligators are nipping at your feet. If they stand on a burning platform, they have no choice but to take immediate action, to jump away from their comfortable positions. Assembling a team to discuss the organization's new vision won't be very successful, because team members will be worried more about self-preservation than the new vision.

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Angry Customer Videotape Spurs Action

How do you change years of ingrained habits and attitudes? You can try facts and figures, but nothing works better than a shock. That's how one company managed to inspire change in a group of craftsmen who had refused to listen to a key customer's needs and continued to do things their way.

The customer had ordered custom-designed equipment, but found he still had to make significant alterations to the equipment. He told management that he had talked to the craftsmen designing the equipment many times, but that they didn't seem to listen. Sure, they would nod their heads, he explained, but they wouldn't take action. The manager asked permission to videotape the customer's complaints. He then showed the craftsmen the tape. Many were genuinely surprised to see the angry customer complain they hadn't listened. Some thought they were right and the customer wrong. But the overwhelming reaction was that something had to be done. The videotape created a sense of urgency that propelled the craftsmen into action.

Increase Urgency

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One company brought the need for change to executive attention with a compelling demonstration. The company bought and ordered gloves for its factories through a decentralized process. As a result, the company bought 424 different types of gloves.

To make matters worse, each factory negotiated its own glove purchases. Some factories paid $5 per pair while another paid $17 per pair **for exactly the same glove!**

To spur action, a manager collected one pair of all 424 types of gloves, attached the price, and placed them on the board room conference table. The vice-presidents were shocked by what they saw and immediately took action to change the company's procurement practices.

Here's what works to motivate action:

- Show others the need to change with a compelling object that they can actually see, touch and feel.
- Show people valid and dramatic evidence from outside the organization that demonstrates that change is required.
- Look for cheap and easy ways to reduce complacency and don't underestimate complacency, fear and anger. ■

Build the Guiding Team

The team you put together to guide change needs a sense of urgency. When there is urgency, more people want to lead, even if there is personal risk and few short-term rewards. But urgency isn't enough. Large-scale change does not happen without a powerful guiding force. A fragmented management team cannot do the job, and a hero CEO doesn't work either. There aren't enough hours in the day for even the strongest executive to accomplish change single-handedly. Your challenge is to put together an effective guiding team.

A powerful guiding group has two characteristics. It is made up of the right people, and it demonstrates teamwork. The "right people" are those individuals with appropriate skills, leadership capacity, organizational credibility, and the connections to handle organizational change. The "right people" aren't necessarily part of the existing senior management.

How do you build a team of the right people?

A single individual who feels great urgency usually pulls in the first people. The people selected create a team with:

- Relevant knowledge about what's happening outside the enterprise (essential for creating vision).
- Credibility, connections and stature within the organization (essential for communicating vision).
- Valid information about the internal workings of the enterprise (essential for removing barriers that disempower people from acting on the vision).
- Formal authority and the managerial skills associated with planning, organizing and control (needed to cre-

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The New and More Diverse Team

What happens when an organization moves from acquisition mode to one focused on organic growth? Here's how one company created a new and more diverse team to make the transition. The company had just ended an acquisition phase and found there were no remaining competitors small enough to buy. The deal-maker team had been small and like-minded. It was dominated by people with years of combined banking experience, but few of the skills needed to manage organic growth.

The team the CEO put together was incredibly diverse. It consisted of representatives from every major function: finance, human resources, corporate affairs, IT, regional leaders, and asset managers. Together, the team members represented the entire company. As a result, all viewpoints were represented, and decisions about the path to growth were balanced.

Build the Guiding Team

(continued from page 3)

ate short-term wins).

- The leadership skills associated with vision, community, and motivation (required for nearly every aspect of the change process).

As change progresses throughout the entire organization, additional groups are formed at lower levels. These teams help drive action within their units. Together, these groups form a kind of guiding coalition.

Making Meetings Work

Even something as mechanical as how a meeting is run is important when creating a team. How often should you meet and for how long? What will be on the typical agenda? Who will run the sessions? Are nonmembers welcome? Get the format wrong, and frustration grows. Get it right, and the group pulls together into a powerful force.

Poor meeting structure hurts particularly when a group is new. For example, a meeting at which important issues are discussed over and over with no resolution will drive the team crazy. Bad meetings undermine trust, especially with a new group. How do you avoid this? Stick to one topic per meeting. Put someone credible in charge. The person in charge of the unit or department to be changed has to be a central force in the guiding team. For the sake of the credibility of the effort and to avoid the constant threat of the boss pulling the plug on change, this is essential. ■

The Body in the Living Room

The change process needs to move forward quickly or it won't go anywhere at all. If you use a strategy of slow change, chances are organizational inertia will take over, no matter what your original vision.

Consider the advice a real estate agent gave a young professional who had stretched his resources to buy a sixty-five year old house that could best be classified as a "real fixer-upper." She told the buyer that he should immediately make a list of the things he wanted fixed, and get it done in the first six months of ownership. If he didn't, she predicted, it would never get done.

He told her he would take five years of slow improvements and get everything he wanted done, done. She said, 'No you won't, because after six months you get used to it. It seems to fit. You get used to stepping over the dead body in the living room." Five years later, he had to admit she had been right. What hadn't been fixed in the first six months never was. It's the same with "slow and steady" organizational change. What isn't done when the momentum is rising won't get done later.

Get the Vision Right

In successful large-scale change, a well-functioning guiding team answers the questions required to produce a clear sense of direction. What change is necessary? What is our vision for the new organization? What should not be altered? What is the best way to make the vision a reality? What change strategies are unacceptably dangerous? Good answers to these questions position an organization to leap into a better future.

Unfortunately, guiding teams often have neither clear direction nor are they encouraged to embrace sensible missions.

One reason that smart people create no or poor direction for change is that they have been taught that "charting the future" means planning and budgeting. Truth is, when pursuing large-scale change, the best planning exercise is never sufficient. Something very different is essential. In those organizations that have successfully implemented large-scale change, four things have helped direct action in the right direction. These are budgets, plans, strategies and visions. All four are different yet tightly interrelated, and each requires a different development process.

The *budget* is the financial piece of the plan, and is a math exercise in numbers crunching. The *plan* specifies step by step how to implement a strategy and is a logical, linear process. The *strategy* shows how to achieve the vision, and requires accurate and up to date information about customers and competitors. And the *vision* shows an end state where all the plans and strategies will take you. Visioning requires the creativity to see possible futures. Your vision can fit on a page, while your strategy might take up ten pages. Your plans should fit in a notebook, while your budgets probably will require a large notebook and many meetings.

Bold Strategies for Bold Visions

Today's change visions are becoming bolder by necessity. More and more executives believe that their visions must include being an industry leader, being the firm that's first into new markets, or being the low-cost competitor.

Bold visions require bold strategies, and that's where many change initiatives fall apart. People without experience developing bold strategies can't figure out what to do next because it's so different from what they've done before. They sometimes back away from the obvious because it's threatening. Or they convince themselves that small modifications in their current ways of

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Get the Vision Right

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operating will achieve the vision — eventually. They may even come to believe that the vision is useless because they can't come up with a strategic plan.

The key is to focus on speed. Talking yourself into a very slow change schedule can be disastrous. Nothing may get done! Remember that this is the twenty-first century world. The pace of external change is only going to increase. That means that internal change has to accelerate also.

How do you get the vision part right? Here's what works and what doesn't:

- Articulate a vision that is so clear that it fits on one page and takes less than a minute to share.
- Articulate a vision that's moving — such as a commitment to serve people.
- Create a bold strategy and move ahead quickly.
- Don't assume that logical plans and budgets are enough.
- Don't rely on overly analytical, financially based vision exercises.
- Don't rely on visions that just slash costs. These produce anxiety and depression, but rarely change. ■

Communicate for Buy-In

In successful change efforts, the visions and change strategies can't stay locked in a room with your team. They must be communicated with as many people as possible, who in turn must buy in. The goal: to get as many people as possible acting to make the vision a reality.

When we communicate about a large-scale change, common responses are: "I don't see why we need to change that much," "We'll never be able to pull this off," and "Are you guys serious or is this a joke?" In successful change efforts, the guiding team doesn't argue with this reality. Instead, they find ways to deal with it. They address anxieties, accept anger, and evoke faith in the vision.

Communicating the need for change through a Question-and-Answer session can be effective if done properly. Make sure employees are given a well-prepared presentation about the change effort underway and are encouraged to ask any questions. During the Q&A session, each presenter responds quickly and clearly, with conviction, and without becoming defensive. This demonstrates to everyone that the ideas aren't muddled, that the presenters have faith in the vision, and that those answering the questions think the changes are good.

Nuking the Executive Floor

When one company started talking seriously about its vision of becoming the low-cost producer in its industry, many employees thought the idea was outrageous. After all, the company's executive offices were very grand.

The executive offices had huge rooms, and the joke was that you could play a half-court basketball game in the chairman's office. Almost every executive office had an adjoining conference room and private bath. There was enough polished wood around to build a ship and expensive art on the walls, as well as a private elevator. But discussions got nowhere since redoing the space would cost more than leaving it alone.

When a new CEO took office, he nuked the entire floor. It was gutted, and the expansive offices were replaced by smaller, more contemporary spaces. He sold the art and opened up the elevator. The effect was powerful. The club atmosphere was gone, and the changes would pay for themselves in about two years.

To be effective, the change messages communicated to employees must be simple and heartfelt, not complex and technocratic. Then fear, anger, distrust and pessimism shrink. Feelings of relief and optimism grow. Employees begin to buy into the changes. They waste less time being angry or anxious. They start to take steps to make change happen.

Matching Words and Deeds

People in change-successful enterprises do a much better job than most in eliminating the destructive gap between words and deeds. Deeds speak volumes. When you say one thing and then do another, cynical feelings grow. When you speak of a vision of innovation and then reward people who come up with good ideas or when you talk globalization and then immediately appoint two foreigners to senior management, employees begin to take the message of change seriously.

Matching words and deeds is usually tough, even for a dedicated guiding team. Team members have to help one another. At the end of meetings, for example, they should ask, "Have our actions in the past week been consistent with our change vision?" When the answer is "no," they should ask, " What do we do now and how can we avoid the same mistake in the future?" With a sense of urgency, an emotional commitment to others on the team, and a deep belief in the vision, change leaders will make the personal sacrifices needed to make the message consistent with action. ■

Empower Action

When people begin to understand and act on a change vision, you need to remove barriers in their paths. One example: Take away a pessimistic skipper and give the crew an optimistic boss.

Often the biggest obstacle to change efforts is a boss — an immediate manager or someone higher in the hierarchy. Subordinates see the vision and want to help, but are effectively shut down.

The supervisor's words, actions, or even subtle vibrations say, "This change is stupid." The subordinate, not being a fool, either gives up or spends an inordinate amount of time trying to maneuver around the barrier.

How can you overcome a reluctant boss who has become a barrier to needed change?

Try easing the reluctant boss' attitude through creative approaches. Remember, change can be difficult, especially for someone who has invested psychologically in the status quo. For a fragile and insecure person, change can cause fear, which in turn can lead to the person becoming immobilized. When change does come, the experience can be life changing as the person moves from being stuck in the past to leaping into the future. When seemingly immovable middle-managers feel sufficient urgency, develop sufficient faith in the people leading the change, and see the change vision clearly, they, too, will embrace it.

Removing the "System" Barrier

A second common source of disempowerment is the formal arrangements we often call *the system*. A decade or two ago, this would mostly have been overwhelming bureaucracy — but today the performance evaluation and rewards part of the system is often the stickiest problem.

Evaluations and rewards can disempower when they are at odds with the direction of needed change. "We want you to boldly leap into the future," is the communication, yet the system says, "Boldly leap into the future and you will receive ten cents if you succeed and a hammer on the head if you fail." Conversely, evaluation and rewards can empower people by identifying and compensating behavior that is required by the vision.

When we think of evaluation and rewards, most of us think of money. Few people believe they have all the money they need, and many struggle, even on two incomes. Thus, when there are no economic rewards for transformation, you have a barrier that is very powerful. But the addition of bonuses and raises does not necessarily motivate a change in behavior, nor does it necessarily convince people that if change efforts fail, they won't be punished. Other rewards that strike a cord can include contests and competitions, so long as they aren't cheap manipulations designed to avoid paying for performance. They must be worthwhile.

Removing Other Barriers

After years of stability, incremental change, or failed attempts at change, people can internalize a deep belief that they are not capable of achieving a leap. They may not shout, "I can't do it!" but at some level, they feel it even

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Manufacturing Movies

At one company, senior managers for years came to the factory floor to "inspect things." The plant manager only received instructions about what needed to be fixed. The visits were never positive until one day a division executive announced that there would be no more plant inspections. Instead, he insisted, the company had to empower the work force. At first, the workers agreed they needed to hold meeting to discuss improvements. These quickly deteriorated into "bitching" sessions. They finally decided meetings did no good, and decided to try something entirely different.

Two workers volunteered to be filmed going about their jobs. They started out following how one product was manufactured, capturing on film everything from getting the raw material to taking it off the production line and preparing to ship it.

As people watched the tape, they could see some of the problems. Workers literally walked miles around the plant to finish one piece of equipment. Workers wasted time getting tools out of cabinets one at a time when they could keep them close at hand. The tape let ideas flow freely as the teams rethought options that would make their jobs easier and safer. The film became a very important tool for the work force. It helped spawn good ideas.

Three Don'ts for the Boss Barrier

When confronted with the "Boss Barrier" to change, most companies take one of three approaches. They either:

- ✓ **Ignore the barrier.**
- ✓ **Send the "obstacle" to a short training course.**
- ✓ **Fire, demote or transfer him or her.**

None of these approaches work. Ignoring the problem won't make it go away. A short training course is equally unlikely to work, since the barrier probably will cynically view it as just another part of the misguided change effort underway. And firing, transferring or demoting the culprit is likely to spread fear to others — hardly the atmosphere you are trying to create.

Empower Action

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when it isn't true. We've all seen this. "No," thinks the 60-year old. "I'll never be able to learn to use the computer." But it's all in his or her head — an irrational and psychological block. Never underestimate the power of the mind to disempower, but don't underestimate the power of clever people to help others see the possibilities either.

Another important barrier to remove is the information barrier. Information is a source of power, and lack of information can disempower. One of the most powerful forms of information is feedback on our own actions. We are often remarkably unaware of how we spend our time, how we interact with others, and how we physically move about. When we do get feedback, it comes from another person, often sounding and feeling subjective, biased, or like a precursor to sanctions. So we end up with information that seems suspect. It need not be that way. ■

For a look at how one company "retooled" a manager to enable change, go to: http://my.summary.com.

Create Short-Term Wins

In successful change efforts, empowered people create short-term wins — victories that nourish faith in the change effort, emotionally reward the hard workers, keep the critics at bay, and build momentum. Without early wins that are visible, timely, unambiguous and meaningful, change efforts invariably run into serious problems.

In successful change efforts, an empowered group of people are very selective in how they spend their time. They focus first on tasks where they can quickly achieve results. These wins:

- **provide feedback to change leaders about the validity of their visions and strategies;**
- **give those working hard to achieve a vision a pat on the back, an emotional lift;**
- **build faith in the effort, attracting those who are not yet actively helping; and**
- **take power away from the cynics.**

Without these achievements, large-scale change rarely happens, and no matter how brilliant the vision and how needed the changes, they never take place.

Focus is Essential

In large organizations, a change effort may require hundreds of projects. When people feel urgency and are empowered to act, they can easily charge ahead on all fronts. With scattered attention, you might find the first win in two years — two years too late! Don't focus on 150 projects (as if you could!) Instead, pick four that are likely to get results.

Not all wins are equal. In general, the more visible the victories, the more they help the change process. If you have been a part of enough successful change efforts, you will understand the power of visible, meaningful and unambiguous wins. If you have not, you can miss the mark. Too often we create wins that we can see, but which others do not, at least not to the same degree.

The order of projects can also make an important difference in large-scale change efforts. You can choose to first target a problem based on a logic that seems rational but does not supply enough wins fast enough to build momentum.

For example, suppose the vision is globalization. One choice that seems rational is to work on the manufacturing piece before the marketing. Make it before you sell it. But building the Frankfurt factory can easily take two years, cost a hundred million dollars, and then another year to assess whether the company can handle its first German manufacturing facility. During this time, wins are hard to find.

A less obvious but better choice is to sell a product,

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The Senator Owned A Trucking Company

Here's what happened when a state transportation department implemented a change plan. The agency knew one of the state's senators also ran a trucking company. They approached him to see what the department could do to help companies such as his operate better, thus making the agency's vision of better service to those the agency regulated become a reality. The senator's immediate response was that he was angry the agency made him fill out 15 forms every year, many asking for the same information.

When the change team heard about the problem, they were reluctant to find a solution right away. They had other, bigger plans in mind for transforming the agency, and changing the way trucking companies provide information didn't seem to be urgent. They needed to battle entrenched interests, and redesigning forms didn't seem to be important except that the senator could be in a position to help them later if he saw they were serious about changing. Making truck licensing more efficient could be the early and momentum-building win they were looking for.

A month later, the process had been streamlined from 15 forms into one. The senator was impressed, and the team was enthusiastic about the prospects for real change. A short-term result got the change process in high gear.

Create Short-Term Wins

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then build it. Put together a marketing plan for Germany. Implement a plan at minimum cost with a product from Chicago. Achieve a clear success in less than a year. Choose your first success carefully. It must satisfy the basic criteria: visibility, meaningfulness, unambiguity and speed. ■

Don't Let Up

After the first set of short-term wins, a change effort will have direction and momentum. In successful situations, people build on this momentum to make a vision a reality by keeping urgency up and a feeling of false pride down; by eliminating unnecessary, exhausting and demoralizing work; and by not declaring victory prematurely.

The most common problem at this stage in change efforts is sagging urgency. Success becomes an albatross. "We've won," people say, and you have problems reminiscent of those in step 1. It's easy for those driving change to allow organizational urgency to drop, especially when short-term performance rises. Don't become frustrated, and resist the temptation to "beat up" on your people.

Early in a change effort, you generally take on some of the easier problems in order to establish a few wins and create momentum. Picking up every piece of furniture in a house at once and moving it across the street isn't necessary or feasible. There aren't enough movers. In a successful move, the lighter pieces — pictures and side tables — go first. But sooner or later, you are faced with the credenza. For a move to be successful, you can't stop half-way through. You have to persevere.

It's the same with a major organizational change effort. Simple courage and perseverance help. Better still, structure situations so that people can take risks to deal with difficult bureaucratic and political situations without having to put their lives on the line. Structure situations so that people can gain the power to take on the most intractable problem. Power here means more than authority — it means time, resources and access to get the job done.

Not Killing Ourselves

Deep into a transformation, even if urgency remains high, even if people want to take on the big problems, and even if they succeed in generating waves of change, they can still fail because of exhaustion. After all, key people not only have to do the old work to keep things going, but have to handle the additional work to create the future. The answer is really very simple: When you have too much work, jettison some.

Just how do you do that? Start by looking at day-to-day activities, and deciding if a particular task adds value and absolutely needs to be done. Identify and agree on what people can stop doing, and you won't feel so overwhelmed. This needs to be done as early in the change process as possible. Purge your calendar of everything that has no current pressing relevance. Stop the unnecessary Tuesday morning meeting that's been a fixture for five decades. Eliminate the six reports that you don't need. Teleconference instead of hitting the road. Delegate up, down and sideways. ■

Make Change Stick

Tradition is a powerful force. Leaps into the future can slide back into the past. Change sticks only if you create a new, supportive and strong organizational culture. A supportive culture provides roots for new ways of working. Making it stick is difficult. If this challenge isn't met at the end of the change process, enormous effort can be wasted.

Change is often held in place solely by a guiding team, a central player in such a team, a compensation system, an organizational structure, initial enthusiasm over the changes created by the changes, or even less. It may not seem that way. You may think you have built a sturdy house, yet not notice that the walls are being held in place by the construction crew. Eventually, the crew leaves, and gravity takes over. The culture isn't there to support the building.

Culture means the behavioral norms and shared values in a group of people. It's a set of common feelings about what is of value and how we should act. In large-scale change efforts, we use the power of culture to help make a transformation stick. It's hard, because creating a new norm means you need to change deeply embedded norms.

Make sure that the cultural changes you have worked so hard to create are passed on to new employees. Be sure new employees are introduced to the culture early on. Create compelling visions that help new employees become part of the company fast. And don't forget the new culture when you hand out promotions. The right promotions make those that truly reflect the new norms more influential, thus strengthening those norms. By putting into power those people who have absorbed the new culture, you create an increasingly stable and solid foundation. ■

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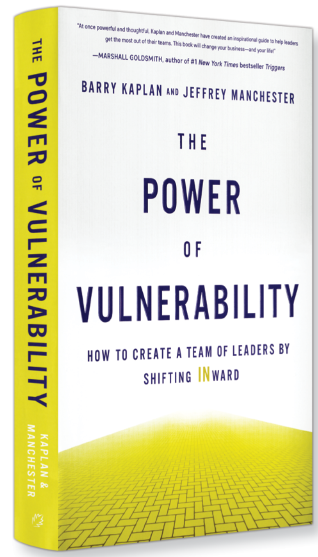
Leadership

The Power of Vulnerability

How to Create a Team of Leaders by Shifting INward



by Barry Kaplan and Jeffrey Manchester

THE SUMMARY IN BRIEF

Work is often a source of dissatisfaction for people because in their desire to get ahead, they often lose touch with their values and internal sources of power. *The Power of Vulnerability* offers a new approach to transforming corporate culture so that you can thrive at work and in life.

Authors Barry Kaplan and Jeffrey Manchester have leveraged their decades of experience and created a guide to finding success and fulfillment for teams and individuals. They teach readers how to create a sense of safety, encourage exploration, develop an INpowered team that transcends organizational hierarchy, foster communication and be authentic.

Manchester and Kaplan can help you find INpowerment so that you and your colleagues can create a fulfilling, supportive and open corporate culture. This fulfillment creates loyalty and long-term employee commitment to organizations.

The Power of Vulnerability includes everything you need to unlock the potential of yourself and your organization.

IN THIS SUMMARY, YOU WILL LEARN:

- Why authenticity and vulnerability are the keys to unleashing power.
- To INpower everyone to lead more effectively, whether they're the boss or not.
- To create rules of engagement for true authenticity in your organization.
- To find your purpose and create a life plan.

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THE COMPLETE SUMMARY: **THE POWER OF VULNERABILITY**

by Barry Kaplan and Jeffrey Manchester

The authors: Barry Kaplan, a partner in Shift 180, is an expert in organizational development and leadership. He is an executive and team coach for entrepreneurs, leaders and their teams and actively leads small group, board and management team offsites and retreats. Jeffrey Manchester has worked with over 1,000 presidents and CEOs as a strategic advisor. He is a master at INpowering individuals and teams to maximize their true potential through the gateway of authenticity. *The Power of Vulnerability: How to Create a Team of Leaders by Shifting INward* by Barry Kaplan and Jeffrey Manchester, copyright © 2018 by Shift 180, LLC, has been summarized with permission of the authors, Barry Kaplan and Jeffrey Manchester, by arrangement with Greenleaf Book Group. 256 pages, $24.93, ISBN 978-1-6263-4473-0.

The Journey Begins: Isn't It Time?

Do you want more? Do you feel like you are going through the motions at work? Are you struggling to find meaning in what you do? Many business leaders and professionals say they have a sense of feeling alone.

Disconnection from purpose and authenticity is the root cause of this loneliness and lack of inspiration. Lack of connection gets us stuck. What keeps us stuck in the same place are our self-limiting beliefs. We create limits for ourselves, and we actually spend energy finding ways for these boundaries to be reinforced by others. Ultimately, they become embedded into our internal operating system of how we must show up in our roles and perform our jobs.

These limiting thoughts include beliefs about how much of ourselves we can reveal in meetings; beliefs about our roles in the leadership of a team, department or organization without being the hierarchical boss; beliefs about the appropriateness of more real, open, even vulnerable conversations; beliefs about our ability to take risks within the organization; beliefs about our own powers, authority and/or ability to change our circumstances; beliefs about the combined capabilities of the team; beliefs about our ability to feel a deep sense of fulfillment; and beliefs in our and the team's ability to handle chaos.

These self-limiting beliefs are self-fulfilling — unless we choose to change the belief.

"INpowerment" (not to be confused with empowerment) comes from our beliefs that each individual and team have more power than we realize; each of us has the capacity to access the power inside us; we can learn how to do it; we can do it on our own but even better as a team; and we need to discover and unleash that power by shifting inward. The potential of INpowerment reaches beyond our imaginations, yet it requires the courage of vulnerability to join the journey.

For Return to Connection: INpowerment Is Worth It

Organizations can be the ones to create the changes needed to create an environment that fosters connection and engagement. Embracing authenticity is a new paradigm for corporate culture. Authenticity is the key to unleashing power.

When you get to see someone for who they really are as a human being, beyond the façade, underneath the armor — not what they want you to know about them but the true person — you can genuinely open yourself to their struggles on the job. You then develop empathy, compassion and a feeling of care for your colleagues that comes from a genuine desire to support them with their challenges. That's because you're emotionally engaged with them and with their cause, not just intellectually curious.

The notion of how to empower individuals and teams too often misses the critical element of authenticity. With INpowerment — we have to always look internally first before we can look externally. We have to be all IN and willing to be the beautifully imperfect beings we are. We have to be willing to share our diverse set of perspectives, to use our own unique voice.

INpowerment requires a shift to claim personal responsibility to do what you need to find alignment with something greater than yourself, show up with your voice and bring your personal power to the team. The only

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obstacle to accessing that power is our judgment about what we cannot be or do.

Breakthrough: Claim Responsibility to Shift Direction

Now that you've realized you want your voice back, the journey can begin. This is a journey back to YOU.

Classically, we look outside ourselves for answers and change, hoping to find a cure for the aching pit in our stomachs. But searching outside hasn't led you to a sense of passion and fulfillment in your life. It's only left you less than whole — a partial you. You must go inside and embrace that the change you must make begins with you. It's not the team that has to change. It's not your boss. It's not your commute. It's not your kids. It's you.

When you have lost your connection to yourself, you have lost touch with the many things that make you who you are — your values and beliefs, your wants and desires, and what you are most passionate about. This lack of connection to self is the chief culprit responsible for your loss of power.

Once you open yourself to the possibility that you are responsible for creating the "stuckness," you have the opportunity to change. You got yourself here; now you need to get yourself out. Start now. Choose to begin the process of learning more about you. Choose to engage with yourself and others more fully and completely. Start looking inside to find your voice and learn where you can connect with something greater than yourself.

Who Goes First? Don't Look Outside Yourself for the Leader

The journey to INpowerment is for individuals and their teams. Ultimately, transformed individuals build powerful teams, and a powerful team inspires individuals. The two serve each other.

Most people assume that embracing a deeper level of authenticity, especially when you are changing the culture of an organization, must start with the head of the organization or team. Though hierarchal leaders need to buy into the benefits and be willing to become authentic in order for the shift in the organization to be sustainable, the catalyst for that change can actually come from anyone on the team.

It's important that we distinguish the difference between a boss and a leader. The boss is the person who owns the ultimate decision. They are accountable for a particular decision. A leader can be anyone on the team — anyone, including the boss. That's because everyone has something to offer.

Leaders bring their power to the team — their voice that shares their ideas, opinions and concerns. Everyone who exercises his or her personal power in this way is a leader. While the boss may have the final decision, you owe it to yourself — and your team — to bring all that you have to discussions and meetings.

Vulnerability is the gateway to unleashing all of your power! This idea may be completely counterintuitive. But vulnerability is leadership within a team. When you are in a place where it feels safe to become more vulnerable, and you show up with your truth, you are bringing your power to the team. That gives others on the team permission to do the same thing. When you are willing to take the risk and make yourself vulnerable, the team will draw upon your example, and the entire team, through its vulnerability, will unleash the power that comes from authenticity.

Reclaim Your Power: Any and All Leaders IN

When the hierarchal boss understands and embraces this conceptual shift, that boss comes into the true power of their leadership. The boss is an individual, too. So, the development of the boss in their leadership calls for them to accept that the best way to get stuff done, to be the boss, to be a real leader, is to encourage others to step into their best version of personal leadership. That means you, as a boss, need to accept that you may not always be right, that you may not always know the answer, that you may not even know who does know.

You'll also need to accept that it is okay and even sensible (though risky) to move into the unknown, that it is okay to believe that the best outcome is when you can be both the boss and a leader without having to always lead. Embrace the reality that sometimes the highest form of leadership is when you lead from behind by creating the environment for others to claim their power and step in before you.

But the boss starts out like everyone else, needing to go inward and do their work to unlock their power, too! They may have hierarchical power or authority, but they still need to reclaim who they are.

This is a brave new world for the new boss as they continue to allow themself to be a member of a team of leaders, not THE leader of a team. The weight of carrying the burden of having to be right or to be the person with all the ideas and answers is now gone! The boss can worry less about what they have to give to their teammates in direction and ideas and focus more on what they can take away from their teammates (through helping them remove barriers and blocks to their success). They are leading, and the boss is engaged in making them the best that they can be in their roles.

By INpowering each leader to lead, meetings will look and feel different. Previous meetings where the boss was required to bring the agenda and try to facilitate dialogue among the team will give way to each leader bringing content and/or agenda items to co-create the specifics of the agenda.

Time to Show Up: Start a Cultural Revolution in Your World

As members of the team embrace this new form of authenticity and it begins to flow into the rest of the organization, the culture of the organization will begin to change. This truly is a cultural revolution.

What unfolds next is a greater capacity for creativity and innovation and, ultimately, productivity. The boss no longer has to push their agenda; rather, the other leaders on the team will learn to co-create buy-in to align with the agenda.

Buy-in is more compelling and important than agreement. You can disagree with a final decision and still give your buy-in, because you have expressed your beliefs, opinions and feelings. It's better than just feigning agreement because of the inevitable decision or vote. Rather than forcing the vote, the ultimate decision is organic, a product of everyone speaking his or her truth until it is clear where the buy-in resides.

The growing power inside each individual radiates to create greater power for the team. No longer concerned about hiding something or being shamed, team members can show up in their power as leaders. This is the core of the cultural revolution.

Now your team is feeling the power that authenticity provides. This new connection creates resolutions to core issues that will propel the company into new levels of performance. The individuals on the teams are even more fulfilled in their contribution.

Hang On: Disruptive Processes Ahead

A cultural revolution calls for a dramatic change, or disruption, in our way of being. To get to our infinite store of hidden power inside, it's helpful to use disruptive processes to unlock it. Although this may sound a bit scary, don't be afraid to be afraid! This is the gateway that we need to go through to get to the power on the other side.

In the context of a team, a disruptive process is, by definition, doing something that the team wouldn't normally do. It disrupts our normal "business as usual" protocol. This requires getting comfortable being uncomfortable.

Think of your normal meeting experience. Typically the agenda has been predistributed to the attendees. As soon as everyone arrives, you might greet each other. "Hi, how are you?" elicits the rote response of "Great, how are you?" which then elicits yet another superficial response of "Fine." Then, most everyone continues to look at their phones, knocking off emails and texts, even after the meeting has opened and typically several times during the meeting.

Instead of this "business as usual" approach, you could start your meetings by having everyone turn off all electronics (or, in some cases, collect cell phones in a basket when everyone comes in the door). This simple step immediately pushes everyone outside of his or her comfort zone. The eye twitches and technology withdrawals begin! Excuses and rationalizations about why they have to have their phones are endless. But to bring your power and engagement to the meeting, you have to be present, not distracted by other matters, and this is all about accessing your own and the team's latent power.

Operating with disruptive processes is at the core of the revolution. Once you embrace these tools for a period of time, they will no longer be considered disruptive — they are the new normal.

Warm Up: Access Power Through Vulnerability — Ask, Don't Tell

It's time for a meeting or offsite, and the team wants to prepare for the big event. There's a lot to cover, and you have your ideas about what you'd like to say. Yet at the same time, you're reserved and unsure whether it's worth the risk to speak up. You'd like the interactions to be authentic and therefore productive. So, how do you get ready? The process calls for taking risks and vulnerability.

Begin the journey to authentic connection by deeply listening to what is needed to help make the team thrive. Work to understand what cultural shifts and changes in management meetings and rhythm need to happen, what "elephants" may be in the room and what sensitive conversations need to be facilitated. Only then can you begin to craft an agenda that will take the group to where it needs to go. As you begin your journey of INpowerment, start with that deep inquiry into a vulnerable place.

The INpowerment principle that applies here is, your depth of connection with the team will mirror the depth of your connection with yourself. Before you can connect with the team, first connect with yourself.

First, ask yourself about "you." Do you have limiting beliefs you're holding toward the team or any individuals? What issues do you have with other teammates that are preventing you from engaging more fully? What is the range of emotions that get triggered when you reflect on your role in relation to the team? This will inform you about how to navigate frustration or anxiety around certain individuals.

Next, how do you feel about team or organizational challenges or blind spots? Invite yourself to diagnose these flaws that might be getting in the way of the team becoming more powerful. What are the organizational challenges that emerge from those blind spots or other stumbling blocks? Do you see blocks to achieving the results you're committed to? You are getting clarity on what is most important for you and the team to tackle.

When you have connected to yourself first and then fully and transparently connected with your group, you have opened the gateway to make direct requests about what you want. Start by looking inward to get clarity up front about what is important to you. Explore what you want to have happen at the meeting or what a successful outcome looks like if you get what you want. Although you may not get it, if you don't start by asking yourself what you want, you'll never know.

Taking the Leap: Safety Belts, Please!

Imagine that you are considering a bungee jump off of a bridge that's several hundred feet above the canyon floor. The first thing you're going to do is look at the company's safety record. Then you'll check the maintenance procedures for the safety harness and bungee rope that is supposed to hold you. If you deem it to be safe and therefore that you TRUST it, then you'll take the leap.

Taking a risk in a relationship with a colleague requires the same thing — safety. If you don't believe it's safe enough for you to share your opinions, you are not going to. Yet, because you have clarity about what you want, you can now navigate the relational and team dynamics to ensure that you express yourself more fully. Because you have clarity about your need to create safety, it's already safer.

Creating safety in the team is the prerequisite for taking risks. There are five steps to the process of creating a safe space.

1. **Getting present.** First, getting present in the moment invites you to set aside distractions that will inhibit your power. Your presence leads to your power.
2. **Understanding and committing to guidelines and a protocol for how we are going to connect.** Introduce guidelines for everyone to embrace as a framework for interacting with and connecting to each other. As examples, everyone commits to speaking their truth, owning their judgments and feelings, actively listening and speaking respectfully without blaming or shaming.
3. **Using the Clearing and Resolution model.** Instead of ignoring the elephants in the room, clear them out so everyone can be aligned with themselves and the people they work with. The construct for clearing issues uses the following elements: facts, judgments, emotions, role or responsibility and specific wants.
4. **Completing exercises to take steps toward authenticity.** Sometimes this may be a simple prompt that calls for self-reflection and vulnerability. For example, ask everyone to share an experience from the past month that inspired his or her passion.
5. **Anchoring and integrating the process.** Take time to debrief the outputs and next steps to assure that the decisions, insights and learning can be brought to life in a meaningful way. That makes it safe for the team the next time it comes together.

Where Are You Right Now? Eyes on the Road

The only place you have any power is in this moment, right here, right now. If you are still thinking about this morning's breakfast meeting, you have no power. If, in this moment, you distract yourself with the electronic buzzes and beeps from electronic devices, you have no power.

The key to being in your power is to be acutely present in this very moment. This takes slowing down at the beginning of the meeting to accept and honor that it takes a few minutes for everyone to get present. Being present will allow for greater clarity in conversations and the ability to move through the agenda more effectively than you would having everyone mentally somewhere other than where they're sitting.

A useful check-in tool follows the acronym MEPS, which stands for Mentally, Emotionally, Physically and Spiritually. The question that goes with MEPS is, where are you right now (not this morning or next week) through four energy centers: the head, the heart, the body and the soul?

- **Mentally** (in your head) — are you clear or distracted? Focused or in a stream of consciousness?
- **Emotionally** (in your heart) — what is the range of your feelings: glad, mad, sad, scared, ashamed, guilty or tender? Are you feeling more than one?
- **Physically** (in your body) — as you scan your body right now, do you feel achy, tight, fit, hungry or tired?
- **Spiritually** (in your soul) — are you connecting (or not) to something bigger than yourself? That could be nature, purpose or calling, higher power, connection to people, or perhaps right now there is lack of connection.

As you all become present in the moment, you will sense a different energy in the room. It is palpable. The same bodies are around the table, but the communal spirit is heightened. Each of you is bringing more of yourselves by connecting with your presence.

Rules of Engagement

Assuming everyone is present, connected and engaged — now what? Even if you are starting to buy into the premise that vulnerability and transparency are critical, there is still a need to understand HOW to actually show up in a safe way.

A cultural communication revolution requires the establishment of guidelines that everyone can embrace and honor. These guidelines lay out specifically how we are going to connect with one another to honor confidential conversations, encourage open and honest dialogue, commit to speaking individual truths, and include emotional context for where the team is so they know how to process interactions.

Here is a set of guidelines for working with groups of various sizes, from one person to small and large groups:

- I will respect confidentiality.
- I will be present in the moment.
- I will stay when times get tough.
- I will speak my truth.
- I will ask for what I want.
- I will take care of myself.
- I will express and own my feelings.
- I will own my perspectives.
- I will actively listen.
- I will speak respectfully, without blaming, shaming or fixing.
- I will ask permission before offering feedback or advice.
- I am willing to make mistakes.
- I am willing to laugh at myself.
- I will be on time and stay until the end.
- I will turn off all electronics.

These guidelines are a framework to keep things safe so you can work. They are a path to the safety of mutual respect and honor the breadth and depth of truth with compassion for others and ourselves.

Wow, Honesty! Navigating Rocky Roads

When a team member is holding back a concern or issue with another team member or with the team, that issue needs to be cleared.

How do you know when you have an issue that needs to be cleared? You will likely be emotionally stirred up as you attempt to reconnect with the individuals on your team. You may notice that your internal dialogue wants you to shut down or withhold how much you share. Sometimes you may feel an emotional trigger someplace in your body — perhaps your belly, neck, head or shoulders. Triggers are blocks to the openness you are looking for. The only way to create the trust necessary to get back into a deeper conversation is to clear the trigger.

When you get hit on an issue, here is a five-step clearing process to identify and separate the clutter:

1. **What are the facts?** A small part of your issue is grounded in facts, so it helps to parse those bits of provable, objective data first.
2. **What are your perspectives?** These are your opinions and beliefs that come from your point of view. In the clearing process, as with the guidelines, you own your perspectives. This keeps the person or team you're clearing with safe from any projections.
3. **What are you feeling?** Do you remember any physical sensation you have experienced about the issue? That physical feeling was associated with an emotion. By identifying and speaking about the identified emotion, you are liberating or clearing yourself from them.

4. **What was your role in attracting the issue to you?** Stuff doesn't just happen to people. Rather, they have a role or responsibility in why they attracted whatever situation they were a part of. In this critical step, you share what your part may have been in creating the issue.

5. **What do you want specifically?** Now you have the opportunity to ask for what you want. You may not necessarily get it. Though if you don't ask, you'll never know. This request is also the platform for what resolution may follow the discussion.

A clearing helps people break free from emotional triggers that get in the way of presence, and one of its benefits is getting opportunities for resolving real problems and issues that come from the specific wants articulated in the clearing.

Embracing Our Fellow Travelers

The gift you are bringing to this company and this management team is YOU. And what makes you different from every other person that is sitting in the conference room with you is your story.

For us to truly know one another, we have to understand each other's stories — not what's in your resume or your company bio but the life-shaping experiences that have made you who you are. These experiences have formed your belief systems and how you operate.

The sharing of personal stories is crucial for creating an authentic team. It starts the conscious choice of building relationships and investing in the lives of the people you work with.

When you share your story, connect to the narrative through emotion — express your feelings with both words and nonverbal energy. Share how your story impacts you, your family and vocation. Your goal is to win over the listener as an invested cheerleader for you, because they are now connected to the real "you" through your story.

After connecting with everyone's life-shaping experiences, the team will have formed a bond that will forever change how you see each other. You will now begin to understand your colleagues' decision-making processes and the motivations behind their ideas and positions.

This doesn't mean that you won't have differences of opinion. On the contrary, you will have taken the level of trust to a much higher level, allowing for even more expressions of dissenting opinions.

Making Our Way: Use It or Lose It

To assure that change stays with your organization instead of becoming a fleeting flirtation, you need to anchor and integrate new processes and systems. Here are some specific actions that you can take to anchor and integrate this experience.

Use processes more rather than less. There are many times during the day that doing a MEPS at your desk can help you get present before a call or other work you're trying to accomplish.

Integrate processes in every meeting and interaction for three weeks. Yes, in every interaction. If you drop in on a colleague for an impromptu meeting, check in first. When your colleague asks you, "How are you doing?" reply with depth, saying something like, "Well, I'm pretty scattered right now. I'm anxious about my kid's upcoming surgery, fatigued from lack of sleep but pretty connected to my belief of hope." You'll energetically invite your colleague to also check in, and you'll find the dialogue that follows will reward both of you.

Model authenticity and clear often. Anyone on the team can step up to go first and model authenticity. So, practice it every day in all interactions. Before the first month is out, everyone on the team will be able to lead and model the new rhythm. For the first six months, also have everyone bring at least one item to clear at the beginning of the meeting. These clearings will give the group confidence that they can successfully use the model.

Come up with unique ways to maintain connection with your group. One way you can do this is to have each person offer up their own icebreaker to use at the beginning of your meetings to help others get present. You could rotate responsibility around the group for a connective icebreaker. This helps everyone embrace the "responsibility" portion of ensuring that integration happens.

Real Journeys

Thomas was a founder and CEO of a growing retail chain of beauty salons. His biggest challenge was recruiting and retaining talent. Thomas referred to the problem as "putting bodies behind chairs." He had a whiteboard in his office that had a running tally of bodies — he called it the "Body Count." His formula for success got him to 100 stores, but now his rate of growth was stalled. The team was running in place, and he was even having challenges retaining some of his top executives.

On a three-day retreat, his team worked on building safety, to (re)introduce themselves as the real people they were rather than as workers in the particular roles they played.

Joe was from Cincinnati. Sid grew up in Brooklyn. Cathy was the fourth generation in her family from New Jersey. Frank was originally from Toronto. Sarah was born in Israel and grew up in Miami, and Greg was from Salt Lake City. They shared their stories, owned and expressed their regrets, their triumphs and defeats, and even their aspirations and dreams. They bonded. They connected. Moreover, Thomas started to appreciate his team as people instead of as employees. He recognized the possibility that his office had lots of people with unique stories.

On the retreat's final night, Thomas revealed, "You guys taught me that there is more to our business than numbers or my Body Count. I have sold most of you short. I'm pretty sure I've underestimated the store managers and stylists back in our stores. They are far more than numbers. They are real people with heart in each of their stories. We need to shift the way we're going after growth. First, I want to stop the bleeding of attrition by recognizing our staff as people; and second, I want to change the way we go after new people."

This new sentiment spread once everyone returned to the office. Thomas continued to be relentless about the organization's growth possibilities, but his aspirations for those lofty goals were no longer just about him and his success — they now included his teammates and incorporated their stories. Throughout the head office and into the field, word spread about a new kind of energy.

Wide Road Ahead: It's Your Brave New World

How many of you have created a business plan? These plans are often how we continue to think about our business, which constantly challenges us to find that elusive ideal "work-life balance."

Unfortunately, trying to manage life balance with only a business plan starts with a win/lose scenario (either work wins and family loses or vice versa) and a zero-sum game where we must be involved seven days a week and 24 hours a day. This approach doesn't work. A life plan, on the other hand, changes the nature of how we approach our lives. It's designed to help us be intentional with those key areas of our life that bring us joy and fulfillment.

The key ingredient for a life plan is changing the win/lose scenario of a plan that only looks at our vocational life as multiple wins across all domains. Let's say you want to focus on your marriage, kids, health, leadership and deepening your faith over the next year. Your life plan will allow you to create an intentional rhythm to connect to each of these five domains, inviting you to feel connected to the totality of your life in a real and meaningful way.

This means that even if you choose not to work over the weekend, the connection and fulfillment that you've experienced by being fully engaged in your life will translate into more creativity, energy and enthusiasm when you are back at work. Because the energy from all areas of your life is connected, your "work" in your personal life helps you to be more effective at work, even though you are technically spending fewer hours.

Now that you are choosing to be all IN for your life, you also need to know your purpose, what drives you at your core. Your purpose provides you with the overarching guide for every choice you make. Aligning with your purpose is key to maximizing fulfillment in your life. It's what brings meaning to you.

Think about it this way: Just as every business has a mission statement designed to guide the company's focus, your purpose acts to give you focus for your life.

Knowing your purpose helps you be in alignment with your true power. It is an indescribable feeling that evokes the sweet spot where mental clarity, positive emotion, physical gratitude and spiritual connectivity merge. And, as you authentically connect inside yourself, you immediately have the success formula for becoming the best leader, parent, sibling, child and friend you can be.

With presence and power, you are right where you need to be right now — so, be INpowered.

Once you are, you will feel an ever-growing realization that you are aligned with yourself. This is a result of being in sync with your deepest truth. As you show up and realize you are where you are meant to be, that alignment will create an even deeper sense of purposefulness in how you show up.

It's not in the future or in the past. It's right here, with you, in this moment.

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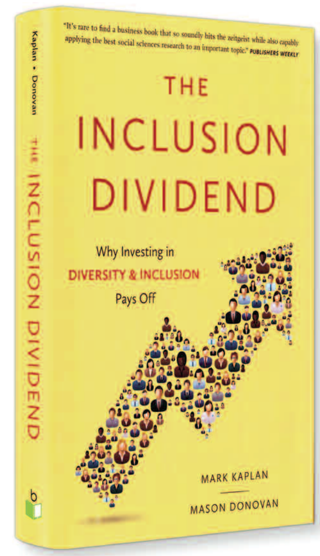

by Mark Kaplan
and Mason Donovan

The Inclusion Dividend

Why Investing in Diversity & Inclusion Pays Off

THE SUMMARY IN BRIEF

With the increasingly diverse, global, interconnected business world, diversity and inclusion (D&I) has become a core leadership competency and a central factor in the success of business. Diversity and inclusion is no longer simply "the right thing to do"; rather, it is a key component to a successful business today.

Working effectively across differences such as gender, culture, generation, race and sexual orientation not only leads to a more productive, innovative corporate culture but also to better engagement with customers and clients. *The Inclusion Dividend* provides a framework to tap the bottom-line impact that results from an inclusive culture. Most leaders have the intent to be inclusive; however, translating that intent into a truly inclusive outcome with employees, customers and other stakeholders requires a focused change effort.

Drawing from the latest research and numerous case studies, Mark Kaplan and Mason Donovan explain the challenge of incorporating inclusion into business and leadership and provide straightforward advice on how to achieve the kind of meritocracy that will result in a tangible dividend and move companies ahead of the competition.

IN THIS SUMMARY, YOU WILL LEARN:

- Creating a truly inclusive and diverse environment goes far beyond "doing what's right" and directly impacts your bottom line.
- The insider–outsider dynamics and group identities really do matter to your business, both internally with employees and externally with customers, clients and stakeholders.
- How to get insider groups with power to see things from the point of view of outsider groups without power so that real change can occur.

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THE COMPLETE SUMMARY: **THE INCLUSION DIVIDEND**

by Mark Kaplan and Mason Donovan

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The Inclusion Dividend: Why Investing in Diversity & Inclusion Pays Off by Mark Kaplan and Mason Donovan. Copyright © 2013 by Mark Kaplan and Mason Donovan. Summarized by permission of the publisher, Bibliomotion, Brookline, MA. 256 pages, $34.95, ISBN 978-1-937134-40-2. To purchase this book, go to www.amazon.com or www.bn.com.

Introduction

The Inclusion Dividend was written for business leaders trying to better understand how their personal and corporate investment in inclusion will provide a return.

Over two decades of working with corporations around the world, we have found that a strategic investment in creating a diverse and inclusive corporate culture always pays off. It pays off at the individual level with happier, more fulfilled employees, at the group/team level with increased productivity and innovation, and at the systemic level with additional bottom-line shareholder value.

Diversity? Inclusion? What Do We Mean?

Ask any board of a Fortune 1000 if their company is built on a meritocratic system, and the answer will be a resounding, "Yes." Employees get promoted based upon their performance. If this is true, why do we need to develop our leaders on creating an inclusive environment that engages a diverse workforce? After all, our corporate culture is based on meritocracy, right? Those who put in the effort will be rewarded regardless of their differences.

But ask yourself why we would need to enact laws that force employers to pay women equally for equal work. In a true meritocracy, your gender would not dictate pay. The story gets replayed with many other dimensions of difference: ethnicity, education, sexual orientation, race, ableness, age and so on.

Although we may aspire to have a meritocratic system, the cold hard truth is that it does not yet exist.

In an interview series on the evolution of diversity and inclusion, we asked chief diversity officers what percentage of corporate development they believe is being driven today by legal compliance. Not one of them gave an answer above 30 percent. So if the push for diversity is not driven by a desire to stay out of court, what is it?

This question brings us back to why we believe so strongly in a merit-based culture. Don't we want the best and brightest to be steering our ship? This line of thought argues that when we put the most productive workers in our most critical positions, we maximize corporate value and shareholder return.

However, long-standing barriers prevent meritocracy from becoming a reality. Herein lies the need to invest in opening up channels for a more meritocratic system. The return on this investment can be considerable.

At The Dagoba Group, we define inclusion as a systemic aspiration: the goal is to include everyone, to create a climate that is inclusive, and to create talent acquisition and management processes that are inclusive and fair. In our view, all of this is done not as an add-on or nice thing to have but as something essential for maximizing the ability of an organization to meet its mission. In today's global business environment, we see no other way. Diversity is already here at certain levels. The challenge is to bring it to all levels. Meritocracy requires inclusion to work and diversity for fuel.

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The Business Case for Inclusion

Companies are in business to make a profit. Investments need to accomplish at least one of two things: reduce expenses or increase revenues. The business case is the story behind reaching one or both of these goals. Every diversity and inclusion effort needs to be directly connected to the organization's purpose.

The business case for inclusion has three key areas: talent management, talent acquisition and marketplace engagement. These areas stem from two vantage points: internal dynamics and external relationships. Internally, the focus is on attracting, retaining and developing staff. More specifically, the emphasis is on these factors:

• **Talent Acquisition:** Are we accessing a broad employment pool, and does our brand attract a diverse set of potential employees?

• **Talent Development:** Are we creating conditions and opportunities that tap the talent of a diverse workforce?

• **Employee Engagement:** Do we inclusively engage our diverse workforce? Do our employees feel good about the company and able to bring their best contributions? Are we retaining high-potential employees?

• **Workplace Climate:** Does the day-to-day environment promote inclusion and success? Does our culture promote teamwork and innovation?

Attracting, retaining and developing the best and brightest talent are pivotal to a healthy, profit-driven organization. When work environments are more welcoming and inclusive, companies enjoy greater retention rates of critical revenue-positive employees. A working D&I strategy not only helps talent acquisition and employee retention; it also creates an environment where employees are more productive.

Donald Fan, senior Director of Diversity at Walmart, notes, "While business lore tends to link innovation with the creative drive that is exclusive to the top and brightest talent, true innovation thrives in an inclusive culture that values diverse ideas, leverages unique perspectives, and invites everyone to achieve collaborative breakthroughs across the entire organization."

The External Business Case

Many companies have decided that they need to change the way they communicate with their current and future target audience. The simple approach is to use "mirroring." This is a numbers game that involves matching the percentage of minorities in the employee population to those in the customer base. Mirroring can create more problems than it solves. It can be difficult to place such a recruitment burden on your hiring team if the company has no real effort to create an environment that attracts a diverse group of candidates.

At The Dagoba Group, we have helped clients leverage their internal inclusion efforts to strengthen their client relationships in the cycle we call RADIX. Each letter of the model RADIX refers to a stage of the sales process:

• **Reach:** This is the pre-acquisition phase of soliciting potential customers, where there are introductory conversations. Having fully diverse representation on the team is important.

• **Acquire:** This stage is key to setting foundational expectations. How we are developed to create an inclusive team internally and how we are managed inclusively will affect our approach with external clients. Is there mutual respect on the team for one another's roles and ideas? It is not uncommon in larger deals or with requests for proposals (RFP) for the client to ask about your commitment to diversity and inclusion. Some have even begun to track and score their service providers' commitment to diversity.

• **Develop:** After the client is acquired, your efforts are focused on fulfilling the preacquisition promises and expanding your service footprint. There is a need to broaden relationships with many individuals at a client organization. Account executives who have not been developed to deal with diverse groups of decision makers will find it difficult to go beyond the initial decision maker.

• **Inspire:** There comes a time when each party has stopped being intrigued by the other. The relationship is either sink or swim at this level. It is not good enough to be simply good enough: You need to wow your clients and exceed expectations. At the Inspire stage, even the strongest bonds are tested.

• **eXit:** Unfortunately, due to reasons that may or may not be controllable, a client may move to exit the relationship — this is where managing the separation can help in future reacquisition. Maintaining relationships and keeping an open approach may pay off in future recommendations. It may also secure future business as these contacts move into decision-making positions. The business case in the exit stage is measured in "win back" clients and referrals.

Understanding Key D&I Concepts

Conversations about unconscious bias and insider–outsider dynamics can easily be lost in the noise of the daily office grind. Even for a leader dedicated to inclusion, putting together all of the pieces needed to fully under-

stand how D&I impacts daily life can be daunting. Visual maps can help highlight areas where key inclusion concepts play a role. The key concepts include:

• **Intent and Impact:** To move the company forward, leaders' intentions have to create the desired impact. A mismanaged event may lead to an unintended impact. This dynamic is exacerbated by diversity. Leaders often find it more difficult to give feedback to people who are different from themselves. This can be due simply to a lack of knowledge about what the other person needs and responds to. The employee not getting the feedback loses the opportunity to improve; the manager loses some level of full engagement from an employee, and ultimately, the organization loses productivity. A leader needs to be cognizant of the resulting impact of his or her behavior and words.

• **Unconscious Bias:** Bias has a negative connotation, so we tend to believe we are not biased. The first step to mitigating unintended bias in our decisions is becoming aware of our individual biases. Think of all the subtle behaviors that result from unconscious, unintentional bias. These behaviors often involve tones of voice, methods of engagement or vernacular that changes, typically along dimensions of difference.

• **Insider–Outsider Dynamics:** Every team or organization has insider and outsider groups based on age, ethnicity, gender, sexual orientation, or on education level, class or geography. The insider group is the group with more power; the outsider group is subordinated. Outsider groups must work much harder to stay level with the insider groups.

Levels of Systems Framework

The Levels of Systems Framework offers a way to understand the broader process of creating sustainable inclusion:

• **Individual Level:** At the individual level we are all unique, though there may be similarities across ethnicities, cultures, gender and so on. Individual histories and experiences influenced by these aspects of difference create very different people.

• **Group and Team Level:** Being from a particular socioeconomic background will expose one to certain influences and opportunities. Group memberships frequently have more impact than our individuality on our perspectives, experiences and behavior than does our individuality. How individuals vis a vis their group identities are able to flourish on teams will have an important impact on the organization. Insider–outsider dynamics, if not addressed, will severely interfere with the goal of creating an inclusive organization.

• **Organizational Level:** For one reason or another, a company has determined to recruit from targeted schools, base promotions on certain kinds of characteristics, and design a culture to reflect certain attributes. Those who decide which schools to target are basing their decision upon their own preference or perceptions. Our individual biases about our group memberships get embedded systemically, and then feedback to all of the groups and individuals in the company creates a self-fulfilling organizational culture, reflecting and reinforcing the biases and preferences of the most powerful people in the company.

• **Marketplace Level:** The company's success in seeing, understanding and engaging its current and future customer base is critical to its success as an enterprise. A company's brand will have a D&I component whether the company is aware of it or not. In a future that looks more diverse, not less, the marketplace level of system is even more critical.

Framing a Sustainable Inclusion Initiative

The Levels of Systems Framework is primarily about power. Power moves from the individual to the marketplace level. This framework will help you think strategically about how to construct your D&I strategy. D&I is continuously evolving as the organization grows. The most powerful (and thus sustainable) change is one in which all four levels are being leveraged in an aligned, consistent way.

The Individual, Interpersonal Level of Change

Too often, D&I work is viewed as primarily about shifting attitudes. This assumption takes many organizations down the road of training and development as the primary D&I strategy. Quite often, individuals emerge from this training with important knowledge but with no way to apply that knowledge. This can end up supporting the notion that diversity and inclusion are about "the right thing to do" but not substantially related to the business.

Training doesn't work unless it is connected to a broader change initiative that goes beyond the individual level. There are four major limits to focusing primarily on the individual and interpersonal levels: new awareness and behavior are not supported by others; a trainee's direct supervisor doesn't understand or support the intent of the training program; organizational reward systems do not support new behaviors; and talent-related processes do not support change. To fully engage a

diverse workforce and create inclusion and meritocracy requires a more systemic change approach as much of what matters to organizations goes well beyond interpersonal interactions.

The Group and Team Level of Change

When we describe the "group level," we are talking about group membership and identity, the social identity groups to which we belong or are identified. We are not talking about work groups or teams. The work at the group level is threefold:

- To identify the group memberships that have an impact on the experiences of people in your organization.
- To uncover patterns related to those group memberships that are problematic, reducing engagement and productivity.
- To confront the insider–outsider dynamics that are creating or maintaining those patterns.

The day-to-day work environment is most heavily impacted by the patterns and insider–outsider dynamics at the group level.

The Organizational Level of Change

We think of the organizational level as the place where dynamics, norms and practices are set into something just short of cement. This level is harder to change than the others, although certainly not impossible. At the organizational level, the work of inclusion is about changing policies, processes, formal and informal norms, and the underlying assumptions that drive behavior in the organization. Thus, to some extent, it is about changing the culture of an organization in that the culture often creates the informal norms and unwritten rules that become embedded. Here are some examples that describe these factors in more detail:

• **Policies and Practices:** The work of inclusion at the organizational level involves uncovering and either dismantling or reducing the impact of policies that have unintended impacts. Simply requiring a diverse interviewing team creates a more inclusive approach to the recruitment process. Quite often, company events are rooted in company history and tradition. As organizations have become more diverse, these events are proving problematic. Most organizations have a host of policies related to employees' family lives, and they have evolved quite a bit to be more inclusive of all employees. Some organizations have broadened their definition of "family" so that policies are more inclusive of many types of families. Progressive policies create true inclusion and go a long way toward engendering employee loyalty and engagement.

• **Formal and Informal Behavioral Norms:** Sometimes little norms have big impacts. An organization was examining its culture and looking for ways to create more inclusive norms. In one large division, there was a norm for scheduling meetings early in the morning, as early as 7 a.m. It became apparent that this practice of early meetings advantaged some groups and disadvantaged others: women, commuters, new parents and single parents.

• **Images of Leadership:** Perceptions of gravitas might say more about the viewer of the behavior and/or the culture of the organization than about the individual being observed. Images of effective leadership must be discussed, made explicit, and examined for relevance and bias, or they will become unconsciously embedded into organizational culture.

• **Culture:** Culture includes all of the little and not so little things that influence people to behave the way they do in an organization. Sometimes it is explicit, sometimes implicit. New norms need to be created that work for a more diverse group of employees.

The Marketplace Level of Change

The point at which the organization engages its stakeholders and client or consumer marketplace is a visible and critical boundary. It is directly related to the bottom line. At this level of system, there are four main areas of focus:

1. The organization's brand in the marketplace.
2. The extent to which an organization's staff reflects its customer base.
3. The ability to leverage D&I to create product and service breakthroughs.
4. The skill of customer-facing staff in engaging customers in an inclusive manner.

Power increases at the marketplace level because an organization's activities are meaningless if they aren't connecting to clients and customers effectively. An organization that connects its inclusion efforts to the marketplace will differentiate itself from its peers.

Unconscious and Unintentional Bias

The diversity and inclusion conversation has always been a challenging one. One of the biggest challenges in creating real and sustainable inclusion has been overcoming the guilt and defensiveness that the conversation provokes, particularly among members of insider groups. Essentially, most of us don't like to acknowledge our own biases and shortcomings.

Bias gets embedded into all sorts of organizational systems and processes. It also affects how an organization views and engages in its marketplace.

Unconscious bias is pervasive and universal. It translates into behaviors, often subtle and small, that can have big impacts on fairness and inclusiveness. While we are all equal in our capacity to be biased, the impact of bias is experienced differently for different groups. Unconscious bias goes beyond the individual level and becomes embedded systemically.

There are tangible ways to reduce unconscious bias:

• Accept that you carry biases, that you are probably not aware of many of them, and that your good intentions are not enough to make them go away.

• Rewire your brain by regularly interacting with people who are different from you, both inside and outside of work. Do this repeatedly and over time.

• Put process checks in place that will prompt you and others to explicitly consider the possibility of bias during talent acquisition and talent management interactions and decisions.

• Develop peer coaching and feedback relationships that will enable you to get feedback from people who are different from you.

• Examine talent acquisition and talent management processes, and redesign them to minimize the potential impact of bias. For example, require the input of a diverse group of colleagues when assessing employees' performance and potential.

Insider–Outsider Dynamics

Insider–outsider dynamics are born at the group level, not at the individual level. We are not talking about individuals excluding other individuals. We are talking about inclusion or exclusion based on group identity.

As we describe the core insider–outsider dynamics, think of your own collection of insider and outsider group memberships:

• **Level of Awareness:** When we are in an outsider group, we are much more likely to be aware of the difference. Barriers often emerge that are based on group membership. Ask an LGBT (lesbian, gay, bisexual or transgender) person who works for a company, "What is it like to be LGBT in this company?" and you will likely have a rich conversation about managing personal identity at work, deciding what to tell coworkers about your life outside of work, and balancing openness against potential risks. Ask a heterosexual person, "What is it like to be heterosexual in this company?" and you will probably get a blank stare because it is the norm. Our different levels of awareness have huge implications for forging a path toward greater inclusion.

• **Different Pattern of Experience:** Being an insider or outsider produces a fundamentally different pattern of experience. Insider group membership generally creates a positive pattern of experience. For example, insiders are generally seen as the norm, given the benefit of the doubt, and assumed to deserve the position of leadership they have attained. But "good" and "bad" can happen to us based on our group membership, not our individuality. We are talking about patterns. Think about a woman executive. It is possible that on her walk into work, she gets whistled at. Standing near a desk in the reception area, she is assumed to be a receptionist. When calling on a client, she is assumed to be subordinate to the male staff member accompanying her to the meeting. These patterns fundamentally shape our experiences and our perceptions.

• **Willingness to Engage:** Insiders can find it hard to talk about the impact of something they are not even aware of! For outsiders, there is a reluctance to acknowledge and focus on barriers they feel they have little control over. All too often, the conversation is not explored because of reluctance on both sides.

• **Setting Norms Versus Adapting to Norms:** Being in an outsider group generally means having to understand and adjust to the insider group's way of thinking and doing. Obviously, there are many outsider group members who successfully adapt and assimilate. What is the cost of depending upon exceptional individuals to adapt and change much of who they are in order to succeed? Are the benefits of diversity in innovation realized when individuals feel like they need to conform to the status quo?

The fundamental challenge is that outsider groups have more information about the dynamics and less power to change them. Insiders have less information and more power. This creates an obvious barrier to change. If there is no "burning platform" for insiders, then why would they do anything? How do we break this cycle and move ahead?

It is critical to engage both outsiders and insiders when the goal is creating sustainable inclusion. We strongly recommend that inclusion change efforts include insider group members in visible leadership positions. This is a strong symbol that tells insiders they shouldn't write off the inclusion effort. In this insider-involved scenario, a business case can emerge as a burning platform from which to launch real change.

Insider group members must learn about the difference and need to know about the business impact of exclusion. They are not being indicted as bad people. Exclusion or bias is often unintentional, and inclusion needs to be intentional. Outsider groups will feel more empowered; insider groups will be more aware and engaged. This is what will begin to shift the dynamics.

Dimensions of Difference

To successfully foster diversity and inclusion, a leader must embrace this paradox: We are both individuals and members of any number of identity groups, and both matter always.

Differences can be visible or invisible. When the difference is immediately visible, such as race, gender or age, unconscious biases lead to unintended assumptions and behavior. Invisible differences create a dilemma: Should I share my identity or should I keep it hidden? These differences may include veteran status, disability, sexual orientation and religion. Sharing an identity creates a risk that the individual will be seen through the lens of a stereotype.

Differences that are present at birth or are permanent are sometimes seen differently than identities that can or might change over time. Some differences, like age, will change as we move through life. Our ableness is something that is not stable, because it may change with age, accident or medical conditions. We have the opportunity to be empathetic when our group memberships change.

• **Ableness:** The main task for organizations is to reduce stereotypes and increase access. Many people living with disabilities report being seen as less intelligent or generally deficient. The bias, often unconscious and unintentional, assumes that a specific disability affects cognitive function in a more general way.

• **Culture:** We tend to judge a cultural difference through our own lens, and assign a positive or negative intention to a behavior that seems completely natural to another person. Power exacerbates cultural difference. The organization has to be able to ameliorate the dominance of one culture over others.

• **Generational Difference:** Generations approach work and authority in very different ways. This creates substantial misunderstandings and judgments across generational groups. Organizations able to create maximum flexibility in their definition of career development and keep finding ways to engage each generation will be the most successful.

• **Gender Difference:** Very often, gender dynamics in the workplace are viewed as primarily about work–life flexibility and balance, because of women's leadership role in the home and with children. The glass ceiling is often attributed to women voluntarily taking a career off-ramp to have and raise children. The data, however, says something else. The top reasons are more often related to the corporate climate and to the difficulty of being taken seriously. Men also need, and are affected by, the ability to balance their work and personal lives. A continued focus on gender is critical.

• **Race:** While overt racist behavior is less common than it once was, unconscious bias based on race is prevalent. The biggest challenge in managing the issue of race is reducing unconscious bias, both individually and systemically. As the younger population becomes more diverse, the U.S. workforce is experiencing a dramatic shift in demographics. Corporations that embrace the change proactively will find themselves ahead of their competition.

• **Sexual Orientation:** There is value in sharing basic information about ourselves at work. It is how we build relationships, develop trust, and get to know people. In today's organizations, teamwork and relationship building are critical to the ability to innovate and be flexible. If LGB people feel it is risky to share basic information in the same way heterosexuals do, both they and the organizations suffer.

Critical Leadership Competencies

Our experience with many leaders over the years suggests four areas of competency that must be mastered in order to create sustainable inclusion:

• **Individual Awareness and Self-Management:** You need to challenge not only your own conventional wisdom but that of the people most like you. When an insider group coalesces around a particular viewpoint, it is a very powerful thing and will quickly shut down other perspectives. Think about the people you turn to in critical moments and who you know and trust most on your staff and among your colleagues. How diverse is this group?

• **Embrace the Paradox of Individuality and Group Identity:** It is absolutely essential that leaders understand that insider or outsider group membership is sometimes a primary factor in an individual's ability to be successful. Notice patterns by group identity. Consider group identity when planning staff development. Develop relationships with all of your staff. Understanding group identity is what allows you to treat your staff as full individuals.

• **Envision and Frame Positive Change:** Diversity in a nation, society, culture or organization is a source of strength and potential. If you as a leader can express a clear and compelling future vision, you will greatly increase the chance that others will get on board to move toward the desired future state. Create a compelling business case. Speak to the impact of inclusion. Create a positive vision of inclusion.

• **Foster True Meritocracy:** Look at the top two or three levels of your company. Are those positions dominated by one or two social identity groups? Creating true meritocracy requires a systemic approach achieved by looking at what your staff are rewarded for and looking at your key talent-related processes and changing them so they are better able to support the top performance of diverse groups. Acknowledge meritocracy as the goal. Take a critical look at your culture through a diversity and inclusion lens. Examine your talent acquisition and talent management systems. D&I development can and should be integrated with every leadership competency. A more robust investment in leadership development provides a fuller payout.

Change Strategies for Creating Inclusion

Inclusion is a long-term change process that must be deeply and directly connected to the business. The strategy should be based in a solid business case directly connected to the growth and health of the company. Multiple levels of systems should be leveraged. Senior executives need to be involved and engaged. Both insider and outsider groups need to be involved.

A sustainable long-term inclusion initiative will move through four phases:

• **Phase 1: Research and Needs Identification:** The primary focus of this phase is building a solid foundation for the initiative. The ability to work effectively and inclusively across all kinds of difference is now central to profitability in the short and long term. That said, each organization needs to develop its own rationale in its own language and in the context that is unique to that organization. The tools for this phase include employee engagement surveys, HR data, focus groups and interviews, and customer and marketplace data.

• **Phase 2: Strategy Creation:** If inclusion is a serious goal, then there must be a strategy to pursue. All good strategies require compelling data, a solid business rationale connected to profitability and a realistic implementation plan. The proper use of the business case is to develop a clear focus and direction for an inclusion change effort. It is at the core of strategy creation. The primary tool used at Phase 2 is a diversity council, a temporary team with the power to create a strategy and possibly oversee its implementation.

• **Phase 3: Implementation and Integration:** Phase 3 is about directly involving the entire organization with the inclusion initiative in some significant way. There needs to be clear and explicit connection to a larger strategy. Phase 3 is about the broader kind of buy-in from frontline to mid-level management. There are many tools to be employed in this phase: awareness and skills training, leadership development, employee affinity groups, organizational culture change and communication. Phase 3 is also about integration, to integrate a D&I mindset or "lens" into the day-to-day business.

• **Phase 4: Measurement and Recalibration:** Phase 4 involves assessing the impact against the strategy. Activities that bring about the most desired impact should be amplified, and those that have little or no impact should be changed or discarded.

An inclusion initiative is like any large organizational change process. It needs accountability and leadership. Leaders will need to be prepared to manage reactions to the inclusion work. Outsider groups will be skeptical that the change is real. Insider groups will see the change as creating a nonlevel playing field in the other direction.

Remember, resistance to change is a good thing! It often means the change is real; otherwise, there would be no need for resistance. Leaders' behavior in the face of resistance will predict the success of the initiative. Like everything else you do as leaders, successful change always comes down to commitment, authenticity, engagement and persistence.

RECOMMENDED READING LIST

If you liked *The Inclusion Dividend*, you'll also like:

1. ***The Inclusion Breakthrough* by Frederick A. Miller, Judith H. Katz.** The authors explain how to make diversity a central and profitable part of an organization's strategy for long-term success.
2. ***Winning with Transglobal Leadership* by Nazneen Razi, Ph.D., Peter Barge, Robert A. Cooke, Ph.D., Linda D. Sharkey, Ph.D.** Learn an easily implemented process for assessing your organization's global capability and developing the leaders who will drive success.
3. ***The 2020 Workplace* by Jeanne C. Meister, Karie Willyerd.** Meister and Willyerd present a functional guide to help you and your organization create tomorrow's workplace of choice.

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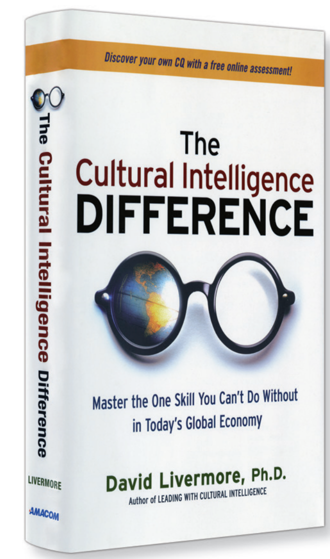
Leadership

The Cultural Intelligence Difference

Master the One Skill You Can't Do Without in Today's Global Economy



by David Livermore, Ph.D.

THE SUMMARY IN BRIEF

CQ is cultural intelligence, a compelling new measure that strongly correlates with your ability to thrive in the workplace today. CQ extends beyond simply registering cultural differences; it's proven to positively impact your ability to communicate, network and lead in our culturally diverse workplaces and globalized world. From managing multicultural teams and serving a diverse customer base to negotiating with international suppliers and opening offshore markets, enhanced cultural intelligence can spell the difference between success and failure.

The Cultural Intelligence Difference is a one-stop guide to both assessing your current CQ and boosting your scores.

IN THIS SUMMARY, YOU WILL LEARN:

- Customized strategies for improving your cross-cultural interactions, with an emphasis on problem solving and adapting behavior.
- New findings on the impressive bottom-line benefits of CQ.
- Examples of major organizations that use CQ to achieve success.
- Methods to improve your CQ Drive, CQ Strategy, CQ Knowledge and CQ Action.

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THE COMPLETE SUMMARY: **THE CULTURAL INTELLIGENCE DIFFERENCE**

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PART I: AN INTRODUCTION TO CQ

CQ, or cultural intelligence, is the capability to function effectively in a variety of cultural contexts — including national, ethnic, organizational and generational. It's a whole new way of approaching the age-old topics of cultural sensitivity, racism and cross-border effectiveness. Underlying these strategies for improving your CQ is a willingness to undergo a transformation in how we see ourselves, the people we encounter and the world at large.

CQ for You

Cultural intelligence is uniquely suited for not only surviving the crazy demands of our globalized world but also thriving in them. In recent years academics have discovered a proven way, CQ, to quantify and develop the ability to adapt to a variety of cultural situations.

Intercultural success is primarily dependent on your CQ, which we can all improve.

What Is Cultural Intelligence?

The emphasis of CQ is not only on understanding different cultures but also on problem solving and effective adaptations for various cultural settings. The CQ model acknowledges that your multicultural interactions are as much personal, individualized experiences as they are simply knowing about differences between Germans and Koreans. You can use CQ to become better relating to neighbors, classmates and colleagues who come from another part of the world.

What Does High Cultural Intelligence Look Like?

Here's one way of thinking about the progression from low CQ (1.0) to high CQ (5.0):

1.0 — You react to external stimuli and you judge it based on what that means in your own cultural context.

2.0 — You begin to recognize other cultural norms. You are motivated to learn more about how cultures differ.

3.0 — You begin to accommodate other cultural norms into your thinking. You can explain how culture impacts the way people might respond differently to the same circumstances.

4.0 — You adapt and adjust your thinking and behavior to other cultural norms.

5.0 — You automatically adjust your thinking and behavior when you get appropriate cues, sometimes subconsciously.

People with high CQ have a repertoire of strategies and behaviors to orient themselves when they encounter unfamiliar behavior. They can think deeply about what's happening (or not happening) and make appropriate adjustments on how they should understand, relate and behave in these otherwise-disorienting situations.

What Are the Benefits of Increasing Your CQ?

The competitive edge that comes from enhancing your CQ can include the following:

Cross-cultural adjustment. Your cultural intelligence has more to do with your success in multicultural endeavors than your age, gender, location, IQ or EQ. Enhanced CQ provides the motivation, understanding and strategy for dealing with the uncertainty of multicultural situations with increased flexibility.

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Rebecca S. Clement, Publisher; **Andrew Clancy**, Executive Editor; **Ashleigh Imus**, Senior Editor; **Kylie O'Connor**, Graphic Designer; **Deborah Roselle**, Contributing Editor

Job performance. With higher CQ you'll have an edge in a crowded job market; you can dynamically meet the challenges of serving a diverse customer base at home and abroad. Some of the most important job-related results for individuals with higher CQ are in the areas of decision-making, negotiation, networking and global leadership effectiveness in influencing and developing teams of culturally diverse participants at home or dispersed around the world.

Personal well-being. When you enhance your cultural intelligence, you're less likely to experience burnout from the constant demands faced by multicultural interactions. You will feel a greater enjoyment from traveling and working internationally and collaboratively accomplishing something important.

Profitability. Individuals who more successfully adjust cross-culturally and perform better in decision making and networking help their organizations save and earn more money. Leading companies such as Barclays, Lloyds TSB and Levi Strauss have all adopted cultural intelligence into their business model and have seen increased income streams, better cost management and higher profit margins.

Research Brief

Successful business requires a good dose of common sense and an ability to relate well with a lot of different people. Leaders in all kinds of organizations have argued that cultural intelligence is the single greatest difference between professionals who thrive in today's rapidly changing world and those who become obsolete. Cultural intelligence picks up where emotional intelligence leaves off. It is rooted in research across dozens of countries.

In the Beginning

The driving question behind cultural intelligence research is this: Why can some individuals and organizations move in and out of varied cultures easily and effectively while others can't? Cultural knowledge and global consciousness by themselves don't translate into intercultural adaptability and successful results. A more holistic approach is required.

Surveying intercultural research. Just because a person understands the differences between Japanese and German cultures doesn't mean he or she will actually be able to work effectively with individuals from these backgrounds.

Surveying intelligence research. The most traditional way of understanding the technical idea of intelligence is IQ, but there has also been extensive scholarship on varied forms if intelligence that go beyond the traditional, academic notions of IQ.

After IQ, emotional intelligence is the ability to detect and regulate the emotions of one's self and others. Significant work has also been done on social intelligence, knowing how to act appropriately in social interactions, and practical intelligence, the ability to solve practical problems as opposed to academic, theoretical ones. All three of these intelligences — emotional, social and practical — predict the likelihood of our effectiveness when relating in cultures like our own. However, something additional was still needed to address the increasing cultural complexities facing most individuals and their organizations.

Cultural Intelligence Is Born!

Cultural intelligence focuses on the skills needed to be effective in our interconnected world. It complements the other forms of intelligence and explains why some individuals are more effective than others in culturally diverse situations.

It has been cited in more than 70 academic journals.

One of the consistent threads across the varied forms of intelligence is a set of four complementary factors that are consistent whether we are talking about emotional, social, practical or cultural intelligence. The four factors are motivation, cognition, meta-cognition and behavior.

In parallel fashion cultural intelligence consists of these same four intelligence factors. The four CQ capabilities stem from theoretically grounded scholarship on intelligence.

1. **CQ Drive** (motivation) is your interest and confidence in functioning effectively in culturally diverse settings.
2. **CQ Knowledge** (cognition) is your knowledge about how cultures are similar and different. To what extent do you understand some core cultural differences and their impact on you and others?
3. **CQ Strategy** (meta-cognition) is how you make sense of culturally diverse experiences.
4. **CQ Action** (behavior) is your capability to adapt your behavior appropriately for different cultures.

How Is CQ Measured?

Once the four-factor framework for CQ was developed, the next step was to develop a valid way of assessing CQ. The question at hand was, Can you actually quantify an individual's capabilities for multicultural effectiveness? The Cultural Intelligence Scale (CQS) measures an individual's competency in each of these four capabilities. It has an amazing consistency across varied times, samples, cultures and professions. You can roughly gauge your own CQ by simply making observations with these four capabilities in mind. As you look at your interactions cross-culturally, ask yourself about your motivation (CQ Drive), understanding (CQ Knowledge), level of awareness/ability to plan (CQ Strategy) and behavior (CQ Action). You can also use the four CQ capabilities to roughly assess the CQ of others. Which of the four capabilities are their greatest strengths? In which areas do they need the most growth?

Moving Forward

The majority of CQ research has focused on assessing and developing CQ in individuals. However, recent research is examining how to assess and develop CQ in teams and social networks.

Cultural Intelligence vs. Other Intercultural Approaches

CQ differs from other leading approaches to cultural competence and intercultural interaction in five primary ways:

1. CQ is a research-based, overarching framework that synthesizes volumes of material on cross-cultural leadership.
2. CQ is explicitly rooted in contemporary theories of intelligence. The four capabilities of CQ are directly connected to the four dimensions of intelligence.
3. CQ also explores the social-psychological dynamics involved as one person interacts with another.
4. CQ emphasizes learned capabilities more than personality traits. CQ incorporates both individual and cultural factors of how you work and relate across cultures.

PART II: STRATEGIES TO IMPROVE YOUR CQ

5. CQ focuses on developing an overall repertoire of skills and behaviors for making sense of the cultures we encounter daily.

CQ Drive

CQ Drive asks the question: Do you have the confidence and motivation to work through the challenge and conflict that inevitably accompany cross-cultural situations? CQ includes not only your abilities but also your sense of the rewards — both tangible and intangible — that you will gain from functioning effectively in situations characterized by cultural diversity.

What's CQ Drive Got to Do With It?

CQ Drive often gets overlooked when dealing with cultural diversity and international travel. The tendency is to immediately jump in with training (CQ Knowledge) to help people deal with cultural differences.

High CQ Drive stems from an intrinsic interest in a different culture and confidence to relate naturally in that culture.

Your motivation for multicultural situations can be examined in three specific areas of CQ Drive:

- **Intrinsic.** This is the extent to which you demonstrate a natural interest and enjoyment in multicultural experiences.
- **Extrinsic.** This is the extent to which you see tangible benefits from multicultural interactions and experiences.
- **Self-efficacy.** This is your level of confidence in doing cross-cultural work effectively.

These sub-dimensions of CQ Drive are the scientific bases for the strategies that follow.

Improving Your CQ Drive

The following strategies will help you improve your CQ Drive. Anchored in science and research on motivation for multi-cultural situations, they stem from the three sub-dimensions of CQ Drive described above.

Intrinsic

1. Face your biases.
2. Connect with existing interests.
3. Scare yourself.

Extrinsic

4. Visualize success.
5. Reward yourself.
6. Recharge your batteries.

Self-Efficacy

7. Maintain control.
8. Travel.

1. **Face your biases.** An important strategy for enhancing CQ Drive is admitting the implicit prejudices and biases we have and working to overcome them. One way to explore your biases is through some tests developed at Harvard called implicit association tests. These tests expose the implicit biases we have toward skin color, weight, age and religion.
2. **Connect with existing interests.** Think of something that energizes you; think of a way to connect that interest to a cross-cultural context.
3. **Scare yourself.** Fear causes a deep and immediate alertness. One way you can use fear to develop your

CQ Drive is by visualizing the cost of not becoming more culturally intelligent. Low CQ will make you look ignorant, clueless and self-absorbed and can rob you of great opportunities or put your life at risk.

4. **Visualize success.** Imagine your cross-cultural success, and the corresponding benefits can powerfully influence your CQ Drive. Make a list of these tangible benefits such as
   - Landing your dream job;
   - Gaining a competitive edge as an innovator;
   - Developing friendships with diverse people;
   - Becoming a leading activist for a cause important to you;
   - Broadening and deepening your faith;
   - Earning more money to support what matters to you most.
5. **Reward yourself.** First, set some realistic goals for increasing your cultural intelligence. Now create some rewards for reaching your goals; reward small steps as well. As we fit into things larger than us, join them and serve them, rewarding ourselves along the way can be a helpful way to persevere.
6. **Recharge your batteries.** When you're in the midst of cross-cultural situations, access resources available to recharge your batteries. Your physical and mental well-being are directly connected to your CQ Drive. One way is to deliberately disconnect from your tech gadgets. Choose specific times to connect technologically and then shut it off so your brain can focus more deeply.
7. **Maintain control.** CQ Drive is enhanced when we have a sense of autonomy which is directly connected to the level of control we feel over our circumstances. We can feel a greater sense of control, agency and therefore CQ Drive by taking time to take control of our priorities while traveling. This involves planning ahead.
8. **Travel.** Multiple experiences traveling and interacting cross-culturally create an enhanced sense of familiarity, comfort and confidence for you in future intercultural interactions.

CQ Knowledge

One of the best ways to deal with the ambiguity faced in multicultural situations is by learning more about cultural differences. CQ Knowledge asks the question, Do you have the cultural understanding needed to be more effective cross-culturally? The most important part of CQ Knowledge is developing a richer understanding of culture, its influence on thinking and behavior, and the primary ways cultures differ.

Assessing Your CQ Knowledge

In order to dig more deeply into your CQ Knowledge, assess your cultural understanding in the four specific areas of CQ Knowledge (business, interpersonal, socio-linguistics and leadership).

Business (Legal and Economic Systems). This is the extent to which you understand the various cultural systems around the world.

Interpersonal. This is the extent to which you know about how cultures differ in their values, norms for social etiquette and religious perspectives.

Socio-Linguistics. This is your understanding of different languages and your knowledge of various rules for how language gets expressed verbally and nonverbally in various cultures.

Leadership. This is your level of understanding about how effective management differs across cultures.

Improving Your CQ Knowledge

These strategies are anchored in science and research and stem from the four sub-dimensions of CQ Knowledge described above:

Business/Cultural Systems

1. **Study culture up close.** Discreetly observe people who come from a different cultural background, and observe what he/she does. Attend cultural celebrations, visit grocery stores, go to restaurants, visit an art museum, roam local streets, talk to taxi drivers.
2. **Google smarter.** Remember that quotes limit the search to finding the exact combination of words you enter. Wield the power of "Advanced Search" in Google.
3. **Increase your global awareness.** A few ways to increase your global consciousness are to check out www.worldpress.org for a quick overview of current stories globally, tune into public broadcasting and ask good questions when you're with people from different parts of the world.

Interpersonal/Cultural Values

4. **Go to the movies or read a novel.** Literature and film provide a visceral way to see the world through someone else's eyes. Stories provide a much more dynamic experience with culture than most principle-based business and professional books.

And they're much more true to how we experience culture — in the context of life, relationships and a myriad of other circumstances.

5. **Learn about cultural values.** Society's ideas about what is good, right, fair. These values give you an educated guess about how someone from a culture is likely to approach something.
6. **Explore your cultural identity.** Taking the time to explore your own cultural identity will enhance your CQ Knowledge. Once you have identified the cultures that most powerfully influence you, then think about such questions as
   - What does success look like in this culture? What does failure look like?
   - How are decisions made?
   - What's the role of family?

Ethnocentrism — believing your own culture is the best way to go about life — is a major setback to CQ Knowledge. However, bashing and deprecating everything about your culture can be equally destructive.

Socio-Linguistics

7. **Study a new language.** Languages are a clear connection between the ability to speak another language and your CQ Knowledge. Some say language is culture. The two are so seamlessly wrapped together that it's difficult to have one without the other.

Leadership

8. **Seek diverse perspectives.** Look at and learn from the diverse viewpoints. You could purposely find a cultural group that represents a set of beliefs that are in conflict with your own. Or you could find a different news source than the one you typically choose.
9. **Recruit a CQ coach.** An effective CQ coach should be an individual who is careful not to oversimplify things while also offering some helpful, neutral stereotypes.

CQ Strategy

The real lynchpin between CQ Drive and Knowledge with how we actually behave cross-culturally is CQ Strategy. CQ Strategy asks the question, Am I aware and can I plan appropriately in light of the personal and cultural dynamics involved?

What's CQ Strategy Got to Do With It?

Many of us are forced to function at a frenetic pace with little space for deeper thought and reflection. CQ Strategy is unlikely to be developed apart from intentional thought. The technical term for it is meta-cognition, which means "thinking about thinking," when you transcend your immediate emotions and thoughts and try to observe them from outside yourself.

In order to dig more deeply into your CQ Strategy, you can assess your cultural understanding in three specific areas of CQ Strategy:

- Awareness of the personal and cultural dynamics occurring in a multicultural situation;
- Planning: taking the time to anticipate how to best engage in a cross-cultural situation;
- Checking: the extent to which you monitor whether you are behaving properly in a cross-cultural situation.

These three sub-dimensions of CQ Strategy are the scientific bases for the strategies listed below.

The following strategies will help you improve your CQ Strategy:

1. **Notice.** Don't respond. Don't rush to make sense out of what you've observed. Rather than jumping to conclusions, look at something that puzzles you, and think about it for a long time.
2. **Think widely.** Every individual has what psychologists call a category width, the extent to which you're comfortable with things that don't neatly fit into one category or another. Narrow categorizers watch the behavior of people from different cultures and categorize them based on what those actions would mean in one's own cultural context. Broad categorizers demonstrate more tolerance for things that might not fit into pre-existing categories. As you learn to think more broadly, you'll become better at interpreting the differences you encounter in different cultures.
3. **Focus deeply.** Deep, focused thinking helps us zero in on things we might otherwise miss. This strategy stems from mindfulness training which can help us move out of our automated habits of thinking and behavior.
4. **Journal.** This is a good place to begin hypothesizing why you think things are the way they are and describing how you feel when certain things occur. It will help you shut down some of your semiautomatic behavior and become more aware of our surroundings and the meanings therein.
5. **Plan social interactions.** Plan ahead when you're going to spend time with someone from a different culture, especially if it's a social context.

6. **Manage expectations.** Focus on your expectations for an upcoming cross-cultural experience: What assumptions do you have about the people? What judgments do you need to suspend? When global professionals accurately anticipate their job expectations in intercultural situations, the better they adjust to the changes required.
7. **Create checklists.** Checking things off a list can prevent potentially fatal mistakes and corner cutting. A checklist can also prevent you from spinning off into what you've convinced yourself is just a necessary adaptation culturally, when in fact it might be detrimental to your overall success.
8. **Reframe a situation.** Reframing or reappraisal means changing your evaluation of a situation. This is part of how you train your brain to be flexible in multicultural situations. When you learn to harness deep stress by reappraising a situation, you enhance your CQ Strategy and your overall effectiveness.
9. **Test for accuracy.** Check back and see if your assumptions and plans were appropriate and if they are working. You can test your hypothesis by reading up on it, talking to a variety of people from the cultures involved and observing what occurs.
10. **Ask better questions.** Question your observations and assumptions, and find appropriate ways to ask questions of others. Listen for what's said and what's not said. The point behind the questioning strategy is to keep peeling away the layers of symptoms that can lead to a root cause of a situation.

CQ Action

CQ Action asks the question, What behaviors should I adapt for this cross-cultural situation? It includes your flexibility in verbal and nonverbal behaviors and your adaptability to different cultural norms.

What's CQ Action Got to Do With It?

Can you behave in ways that are effective and respectful in cross-cultural situations while still remaining true to yourself? Individuals with high CQ Action can draw on the other three capabilities of CQ to translate their enhanced motivation, understanding and planning into action.

Here is a list of strategies to help you improve your CQ Action:

Nonverbal

1. **Develop a repertoire of social skills.** Look for cues on the basic manners expected in a culture, many of which come down to nonverbal behaviors. You can also adapt your verbal behavior for various social occasions.
2. **Be an actor.** The more you identify with the individuals from various cultures, the better your ability to act like they do. One of the crucial parts of having enhanced CQ Action is knowing when you should flex your behavior to mirror the behavior of others and when you shouldn't.
3. **Make taboos taboo.** You will be more effective if you learn some of the basics of customs and come up with some behavioral strategies to follow the lead of culturally different people you meet.

Verbal

4. **Use basic vocabulary.** For the cultures we most frequently encounter where we don't speak the language, many of the day-to-day issues can be communicated with a core set of phrases and body language.
5. **Try new vocal sounds.** Most of us use a variety of vocalizations as part of our communication, such as "hmm" or repetition of certain phrases. You might pick one that you use frequently and try eliminating it during a conversation.
6. **Slow down.** A slower, more rhythmic pace allows us to deepen our insights and to become more effective among the many cultures that aren't nearly as concerned with efficiency and accomplishment as some of us are. You may need to practice speaking more slowly and deliberately.

Speech Arts

7. **Put yourself in a place of need.** When framing a request you might posture yourself as someone in need rather than coming in and making demands, not only among strangers but also with colleagues and subordinates at work.
8. **Join a multicultural team.** Collaborative efforts are most beneficial when they include culturally diverse members. Notice how differently each of you on a multicultural team approach conflict, make requests, apologize and compliment each other.

PART III: CONCLUDING THOUGHTS

The Power of CQ

A desire to increase your CQ, combined with a plan to use some of the strategies covered in the last several chapters, is proven to strengthen your CQ, which allows each of us to make the world a better place.

Here are several strengths associated with the overall nature of cultural intelligence:

Integration

Given the interrelationship of the four CQ capabilities — knowledge, strategy, drive, action — by giving attention to one, you may simultaneously enhance another.

Progression

CQ is based on the premise that our capabilities in cultural intelligence are continually progressing. It can be helpful to think about them as four steps toward enhanced overall cultural intelligence:

Step 1: CQ Drive — What's my motivation for adapting to the culture of a city, a company, a person?

Step 2: CQ Knowledge — What do I need to know about these cultures?

Step 3: CQ Strategy — What's my plan? What questions should I ask?

Step 4: CQ Action — Can I adapt accordingly?

Tension

The cultural intelligence model not only allows for holding contradictions in tension but also creates a way to lean into the insights and opportunities that can be created by tension.

Reflection

Reflection is a skill that helps us adjust our internal assumptions and behaviors and structure meaning around our experiences.

Professionals can't just problem solve. They also have to do problem setting. The goal isn't just to find answers but to form hypotheses that help explain a problem in the first place. It involves learning how to interpret observations and plan in light of them.

Inspiration: Success Stories

Canadian Armed Forces. A great deal of CQ is needed by the coalition forces working in Afghanistan. For example, many Afghan village women are seen only by their family members. They cover their faces so no man except their husband can see them. So when male coalition soldiers march into villages and barge into homes to search for explosive devices, there's little cooperation — not to mention a huge insult and offense to the locals.

Canadian Forces are changing this approach. When possible, female soldiers go into the village to form bonds with the women and children. They talk to them about education and explain how the coalition effort will provide opportunity for Afghan children to go to school.

Nanyang Technological University, Singapore. Undergraduate students in the business school work together in multicultural teams, assess one another's CQ and create a plan for developing their CQ in areas where they need it most.

MBA students at Nanyang Business School travel abroad on short-term study missions in places like Vietnam or Ireland. The students are paired up with classmates from different cultures (an easy task given the diversity at the university), and they're tasked with setting up meetings with businesses based in the country they'll visit. They have a series of assignments to apply CQ as they encounter multinational firms, and they develop a long-term CQ development plan for themselves and their work in business. The business school draws heavily on CQ assessments to show accrediting bodies like the Association to Advance Collegiate Schools of Business (AACSB) how the university's programs enhance students' global competency.

Moving Forward

We can't navigate today's globalized world using old maps. And it won't help to simply update the names and colors of our old maps. They were made for a different world. CQ gives us a new map for navigating the terrain of today's globalized world.

Cultural intelligence is an integrative, progressive approach that prepares us for an onslaught of multicultural twists and turns. CQ calls us to be authentically true to our personal and organizational values and concerns of others.

To improve your cultural intelligence is to embark on seeing the world in a whole new way. It's amazing what happens when we're willing to move beyond our differences to see one another first and foremost as human beings. Then, from our common bond as humans, we can learn from our differences. That's the power of CQ. That's the CQ difference.

RECOMMENDED READING LIST

If you liked *The Cultural Intelligence Difference*, you'll also like:

1. ***The Inclusion Dividend* by Mark Kaplan and Mason Donovan**. Most leaders have the intent to be inclusive but translating that into a truly inclusive outcome with employees, customers and other stakeholders requires the focused change effort described in this summary.

2. ***Driven by Difference* by David Livermore**. Livermore identifies management practices that can be used to guide multicultural teams to innovation.

3. ***Conversational Intelligence* by Judith Glaser**. Glaser presents a framework for understanding how conversations trigger different parts of the brain.

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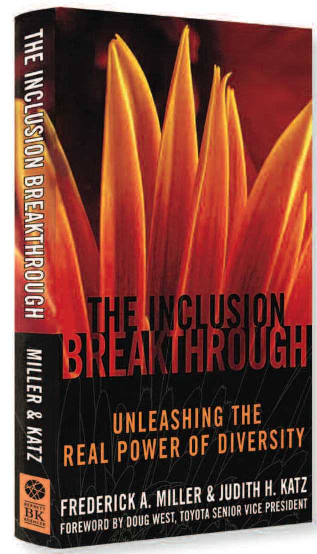
Human Resources

The Inclusion Breakthrough

Unleashing the Real Power of Diversity



by Frederick A. Miller
and Judith H. Katz

THE SUMMARY IN BRIEF

All groups possess the inherent potential of diversity, but to truly leverage it you need inclusion.

Many attempts at making diversity work inside organizations have failed. Human resources experts Frederick A. Miller and Judith H. Katz wrote *The Inclusion Breakthrough* to help create an image of what real success can look like. They write about what could be — what is available to organizations if they allow and enable themselves to flourish, to grow and to come together and do their best work.

The Inclusion Breakthrough represents what Miller and Katz have learned from their work during the past 30 years with a wide range of industries, from long-established manufacturing and service organizations to entrepreneurial startups, from Fortune 500 companies to nonprofit foundations, from city and county governments to school districts, colleges and universities, and from individual coaching sessions and small-scale educational events to 100,000-person system-wide interventions.

What has emerged from their work is a methodology for change and creating organizational breakthroughs. *The Inclusion Breakthrough* is their effort to capture the insights, experiences, frameworks and interventions from their decades of real-world experiences.

According to management guru Ken Blanchard, "*The Inclusion Breakthrough* is a 'must-read' for organizations that want to move diversity work to a new level."

IN THIS SUMMARY, YOU WILL LEARN:

- How to build the platform for change.
- How to create momentum in your organization.
- How to make diversity and inclusion a way of life.
- How to leverage learning and challenge the new status quo.

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THE COMPLETE SUMMARY: **THE INCLUSION BREAKTHROUGH**

by Frederick A. Miller and Judith H. Katz

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Judith H. Katz is executive vice president of The Kaleel Jamison Consulting Group, Inc., a Troy, N.Y., firm that assists private and public sector organizations in promoting diversity and inclusion in the workplace.

The Inclusion Breakthrough: Unleashing the Real Power of Diversity by Frederick A. Miller and Judith H. Katz. Copyright © 2002 by The Kaleel Jamison Consulting Group, Inc. Summarized by permission of the publisher, Berrett-Koehler Publishers, Inc. 218 pages, $26.95, ISBN 1-57675-139-2. To purchase this book, go to www.amazon.com or www.bn.com.

PART 1: THE NEED FOR AN INCLUSION BREAKTHROUGH

Organizations today are being forced to live by their wits. Their survival depends on their ability to out-think their competition, which can only be accomplished by catalyzing the intellectual resources of their people into creative new solutions. A single person's brilliance or a single group's point of view is no longer enough to sustain an organization's growth in the face of global competition. Tomorrow's successful organizations will be those that harness the collective and synergistic brilliance of all their people, not just an elite few. The stock-market stars will be the organizations that capitalize on the diversity of their work force.

But capitalizing on diversity requires more than simply hiring a diverse work force. Radical changes are also needed in both the structure and culture of most organizations — in their policies and practices, the skills and styles of their leaders and the day-to-day interactions among all their people.

Many organizations will fail to make these changes because they seem too radical. Those organizations will not survive. To many people and most organizations, diversity seems like a problem, not a solution. Differences are to be avoided, not embraced and utilized. Age-old hierarchies, traditions and biases must not be questioned or examined. To make these changes to embrace and capitalize on diversity will require a true breakthrough — an Inclusion Breakthrough.

The first step is to ensure that diversity is seen as mission critical. When the current and future success of the organization is tied directly to the need for diversity, it becomes a powerful tool for organizational change and higher performance.

Diversity in a Box

Each person is a unique individual who also belongs to several different social identity groups. A wide range of differences can exist even among people who look, sound and act alike. This *Paradox of Diversity* is a way of framing diversity that captures one's similarities and differences.

We are like all people: As human beings we share similar needs and wants — to experience joy and love, to be safe, etc.

We are like some people: We share culture and experience.

We are like no other people: We are each unique unto ourselves.

The aspects of ourselves that are like some other people constitutes our connection to specific social identity groups, those with which we share similarities, such as age or living in a particular region. But we don't necessarily identify with each group to which we belong, such as — "people with red hair" or "people who drive a Toyota convertible." Regardless of whether or not we identify with a particular group, others might put us in it because the identification has meaning to them, such as — "people who attended Cornell" or "people who live in the Bronx."

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Bailey Jackson was one of the first people to identify that some differences matter more than others. Those that make the biggest difference are ethnicity, gender, marital status (and children), race, sexual orientation, language, physical ability, socioeconomic status, religion and mental ability. These differences can affect the hiring process. Many people and organizations claim they are color blind, gender blind or blind to differences. Although they consider this stance to be a positive attribute, it implies a disregard for differences. Many people have been raised to see differences as a deficit and therefore assume that differences will cease to be problematic if they are ignored.

Unfortunately, most organizations end up with a *diversity in a box strategy*. They see diversity as getting in the way of success by forcing the organization to do something it doesn't want to do. Or they see it as an issue to be managed, shaping it and getting it to "fit" in the existing structure of the organization. The result is either a singular focus on representation and awareness or ignoring the issue altogether.

Radical Change Is Required

Creating a culture of inclusion requires radical change. But the improvements that result from the change are equally radical. People must learn to work differently — every project team scans the organization to make sure it has the best and most diverse team for the job. Instead of disagreements in meetings that lead to strained compromises or avoidance, disagreements lead to better decisions based on a more complete vision of the problem and possible solutions. Work assignments are made with consideration for outside-of-work responsibilities, so people freely give their whole selves without worrying about their jobs consuming their lives. Members of the organization and customers feel loyalty to the organization because of the quality of its products and services and its social, environmental and commercial values.

Eleven Inclusive Behaviors

The key competencies for creating an Inclusion Breakthrough begin with 11 Inclusive Behaviors:

- All individuals must learn to greet others authentically.
- Individuals must create a sense of safety for themselves and their team members.
- In a truly inclusive environment misunderstandings are addressed and disagreements resolved as soon as possible.
- Team members must take the time to listen, listen, listen and respond when people share their ideas, thoughts and perspectives.
- Everyone must communicate clearly, directly and honestly.
- Everyone on the team needs to understand the group's tasks and how each task relates to the mission of the organization.
- Every person on the team has a contribution to make, so make sure all voices are heard.
- Ask other team members to share their thoughts and experiences, and accept all frames of reference.
- Notice the behavior of each person on the team and speak up if you think people are being excluded.
- Make careful choices about when the team will meet and what it will work on.
- And finally, be brave.

Positioning for Radical Change

The most critical component of any effort to change culture is positioning the organization and its leaders to create and support the change. When an organization's leaders understand that leveraging diversity and building a culture of inclusion is mission critical and that every dimension of the organization will be affected, big questions arise. "How can we make changes of this scope, intensity and depth?" "Where do we start?" "How can we ensure success?"

In the course of answering these questions, an organization must position the effort so that leaders are leading. People take their cues from those at the top. They watch to see whether leaders believe that they have a stake in the change, whether they are investing their time and energy toward making the change and whether they are aligned with each other as they move forward with their efforts. Senior executives often do not expect the effort to require their personal involvement. However, although change can start anywhere in an organization, it can succeed only if it is led from the top. Leaders need to know how ready the organization is for change and understand its scope and boundaries.

Making High Performance a Way of Life

When the organization recognizes that leveraging diversity and inclusion is crucial to its overall success, it moves the effort from a loose collection of best practices to an organizational strategy to improve performance. It becomes a *way of life* in the organization. The way of life model outlines that journey through five levels of development.

Level one: Developing individual awareness. The implied benefit and desired outcome is to change the way people see difference.

Level two: Implementing various diversity and inclusion programs and activities. At this point, organizations may institute additional programs, such as mentoring, support networks, high-potential career development and targeted recruiting.

Level three: Combining programs and activities into an initiative. The various elements of the diversity work are evaluated and those activities that fit with the strategic intent of the organization are knitted together into a diversity initiative.

Level four: Linking and aligning the initiatives into the strategic work of the organization. This means integrating new competencies and practices into all of the organization's other major strategies and initiatives: leadership, quality, mergers and acquisitions, strategic alliances, downsizing or re-engineering.

Level five: A way of doing business. As an organization unleashes the synergies gained from integrating its leveraging diversity and inclusion efforts with its strategic goals, it can measure the benefits in new or improved processes and outcomes.

PART 2: THE ELEMENTS OF AN INCLUSION BREAKTHROUGH

Some organizations talk about the bold actions needed to unleash the potential of their work force and about capitalizing on diversity to deliver higher value to the marketplace. Few, however, attempt to use differences as strategic assets critical to maximizing competitive advantage. Even fewer take advantage of the opportunities diversity provides for the work force, marketplace, community and customers. Leveraging diversity creates the opportunity to improve everyone's performance, enhancing the organization's capability to innovate, and serve all its customers and constituents, and succeed in the 21st century.

The inclusion breakthrough cycle examines key components for leveraging diversity and creating a culture of inclusion by focusing on five key elements:

- New competencies.
- Enabling policies and practices.
- Leveraging a diverse work force.
- Community and social responsibility.
- Enhanced value to a diverse marketplace.

New Competencies

Today's organizations must function in an increasingly competitive marketplace that shifts constantly without warning or apology. Faced with intensifying global competition, organizations are being forced to perform more efficiently and effectively. They need to solve problems, execute decisions and serve customers faster, at lower costs and with less waste. They must improve every aspect of their organization every day. Such change cannot be incremental — it must happen quickly, and it must provide for a breakthrough in how the organization functions.

An inclusion breakthrough calls for a new sense of *we* — a sense of "we are all in this together" and "we are not all the same … and our differences are critical for our success." In today's organizations, new competencies are required both for leading and following, and, like a computer, these new competencies must be continually upgraded and expanded just to stay current.

As leveraging diversity becomes the means for achieving higher performance, all members of the organization — not just the leaders — must acquire competencies for building inclusion.

External forces. Changes in the external environment require organizations to change and adjust their portfolios of competencies rapidly. Those external factors — new laws, regulations and industry shifts — are an invitation for organizations to do new things not only out of necessity but also to improve efficiencies and the overall environment of the workplace.

Working in an inclusive work culture. Team leaders must figure out how to address needs and issues such as:

- Accommodating a Muslim worker who requests time off for prayer during the day.
- Finding a TTD and interpreters for a worker who is deaf.
- Responding to people's requests to telecommute or go on a more flexible work schedule.
- Addressing the concerns of single people who feel that they are asked too frequently to cover for people who have families, and who believe their work and personal life balance is not considered.
- Communicating and working effectively with someone who has newly immigrated to the country and for whom the dominant language is not his or her first language.

New definitions of competence. Senior leaders, team leaders and team members must possess competencies that support a culture of inclusion and translate that into higher performance.

Enabling Policies and Practices

No matter how stringently an organization requires people to learn new sets of competencies and behaviors, no significant or sustainable change will occur unless the organization's established rules, written and unwritten, also change.

What gets measured, monitored and rewarded is what matters. It follows, then, that new competencies must be integrated into performance reviews, evaluations, developmental plans, merit rewards and recognition programs. In the absence of these enabling and accountability mechanisms, people will not have any tangible reason to change or face consequences for their noncompliance or defiance. Unless the inclusion breakthrough is integrated into the organization's policies and practices, the new required competencies will be relegated to a wish list.

Organization G was hit with a class-action suit, charging the organization with systematic performance appraisal and career-pathing bias against people of color and white women. An independent study of performance appraisals and promotion records showed that people of color and white women consistently received lower performance ratings than those received by white men, particularly when the managers conducting the appraisals were white men. Even when performance appraisals were similar across gender and racial lines, people of color and white women were not promoted as rapidly as their white male counterparts. Interviews with managers revealed that many gave higher scores to people with whom they had personal relationships, socialized more often and were more comfortable.

Allegations Lead to Multi-Million-Dollar Settlement

Although there were very few allegations of overt racism or sexism, the damage from these comfort-based appraisals were tangible enough for Organization G to agree to a multi-million-dollar settlement. Although the cost of the settlement was substantial, the incalculable cost of the problem — decades of preventing many people from giving their best efforts and a work force in upheaval — was even greater.

To sustain an inclusion breakthrough and create the desired new culture, it is essential that all aspects of the organization's policies and practices be aligned with the new set of competencies. Without such alignment, it is hard to unleash the real power of diversity. These policies and practices must support the aspired-to culture and connect the inclusion breakthrough to the mission, vision and values of the organization.

Leveraging a Diverse Work Force

Most organizations believe that having a diverse work force in itself will create value. In reality, having a diverse work force is just having an under-leveraged asset unless there is strategic intent to unleash that diversity with the critical elements to support it. Less than that results in nothing more than a diversity in a box effort.

Strategies that focus on minimizing conflicts and other possible negative consequences of bringing different kinds of people together — are nothing more than status-quo strategies that maintain diversity in a box. To leverage diversity — to yield greater engagement, interaction, stimulation and exploration of a wider range of possible solutions — disagreements and conflicts must be addressed.

Leveraging Diversity Means Differences Are Not Ignored

Leveraging diversity means that differences are not ignored. When diversity is leveraged, innovation and creativity take hold from the sharing of new and different ideas, from the ability to create a new synthesis emerging from diverging points of views.

Organizations need people who are willing to bring new and different perspectives and skills. Perhaps even more, they need their current people to be willing and able to act in new and different ways. In a society that has made life difficult and dangerous for people who are new or different, this continues to be a major challenge for many U.S.-based individuals and organizations. As the work force becomes more diverse, the response from most organizations is to try to manage diversity, to contain it and keep it in a box. When people are forced to assimilate to keep their differences private and hidden, fitting in becomes their primary task. Just as important as building on what they have in common, creating workplaces that enable people to voice and build upon their differences is also essential.

By undertaking an inclusion breakthrough and creating an environment in which all people are encouraged and supported to do their best work, individually and collectively, an organization sets itself up to become the magnet for the talent upon which its future depends.

Community and Social Responsibility

In the past few years, many organizations have come to recognize the strategic advantage of being socially responsible and investing in their local communities.

An effective inclusion breakthrough strategy cannot focus solely within the walls of the organization. To thrive, companies must develop beneficial partnerships with the people, organizations and communities that provide them with their work force, customers, suppliers and distributors. They need healthy communities in which talented people will choose to live — communities with effective schools, breathable air, safe drinking water and uncontaminated food. They need a healthy overall economy in which their products and services can find thriving markets. They need a social and a physical environment that will sustain them over the long haul, not just until the day after the next quarter's financial reports are posted.

How to Be a Socially Responsible Enterprise

There are almost as many meanings to being a socially responsible enterprise as there are organizations. For some, it might mean raising the pay scale from minimum wage to a livable wage. It might mean investing in the community for sound schools or working with police and government officials for a safe community. For others, it might mean improving environmental practices.

A growing, worldwide movement holds organizations, especially large corporations, accountable for the effect they have on the world around them. In response, many companies are addressing their environmental and social policies and practices, including the effect they have on various social identity groups in the communities they serve.

In addressing a worldwide Mobil diversity forum in 1999, Lou Noto, former CEO of Mobil, said, "Successful organizations need successful communities. You cannot have a viable organization if you do not have a viable community." Accordingly, many organizations have taken the notion of investing in the local community to heart.

Progressive and forward-thinking business leaders are looking at all the communities where their organizations' facilities are located, not just affluent communities but also those struggling to survive. They are seeking investment in these communities not as a handout or public relations ploy but as a hard-edged necessity. As Whirlpool CEO David Whitwam said at a meeting of Michigan's Council for World Class Communities, "Unless our communities can attract the kind of people we want working in our company, our company cannot survive."

Enhanced Value to the Marketplace

As organizations start to reach out to a wider spectrum of customers, many continue to do so from a perspective that makes representation the goal and diversity something to be managed, tolerated or used as a tool to highlight certain opportunities. Some organizations may consider the diverse segments of the marketplace as niches rather than as core to business success, and see diversity through the lens of the box, as ancillary and not central to the organizations' definition of the marketplace.

One common misconception of the expanding opportunities offered by a diverse marketplace is that these opportunities exist primarily in other countries. Too often, a focus on global diversity overlooks the chance to capitalize on the diversity that exists in the organization's home country.

Enormous, Untapped Opportunity to Serve

There is an enormous, untapped opportunity to serve African American markets, the Latino and Asian American markets — the two fastest-growing demographic market segments in the United States — the lesbian and gay markets, the deaf culture market, the women's market and other social-identity-group markets. Just as organizations have segmented their traditional market — white men based on age, education and income — there is an enormous benefit to delve deeper into the differentiation of populations and to see the market opportunities waiting to be explored.

Organizations that are good at interacting and partnering with people of different social identity groups and the diverse elements in each identity group are in the best position to connect with these market segments. But to make the most of this advantage, people with those competencies must be in positions of authority and influence, included in the core processes of the organization and able to provide input into organizational policies and practices.

PART 3: CREATING AN INCLUSION BREAKTHROUGH

Every organization is different. A rigid formula for change cannot be applied successfully. The methodology for an inclusion breakthrough is designed to be not a road map, but a series of signposts. The route each organization takes depends on its size, hierarchy, infrastructure, people, leadership and history. It provides tools for identifying themes and issues that prevent the people of an organization from doing their best work. And it offers guidelines for addressing those issues in ways that will lead to sustainable success. Ultimately, it is designed to create an inclusion breakthrough — an environment in which every member of the organization can add value and enhance the organization's performance and competitive advantage for today and tomorrow.

The methodology is composed of four phases: building a platform for change, creating momentum, making diversity and inclusion a way of life and challenging the new status quo.

Although we present the phases sequentially, the components need not be implemented in this manner. Whereas some actions and strategies may be implemented only after certain resources and competencies have been developed, others may be carried out simultaneously. The methodology is flexible and adaptable to the needs of each organization. In different organizations, different interventions may be required at different stages, and some parts of some organizations will move at different paces. Therefore, those implementing the methodology must be flexible and adaptable as well.

These strategies are predicated on four essential building blocks of effective change:

- **Leverage:** Find and develop the most effective actions and points of opportunity to gain the maximum payoff from each action undertaken.
- **Linkage:** Coordinate and connect all organizational initiatives and activities so that they work together to create a total that is greater than the sum of its parts.
- **Leadership:** Equip both formal and informal leaders of the organization with the education and skills training needed to live and model an organizational culture that leverages diversity and builds inclusion.
- **Learning:** Recognize the process of change as an act of continuous discovery.

Building the Platform for Change

Phase I of the technology for creating an inclusion breakthrough focuses on identifying, developing and aligning resources and positioning the effort for implementation. It is the time for finding allies and partners and for laying the groundwork for change. In many ways, the most difficult part of the effort occurs before ever moving to the Phase I action items. Whether as an individual or as a group, taking the career-threatening risk of standing up and advocating for change requires a great deal of courage. That is what is required before real change can begin.

Change can start anywhere in an organization: in middle management, among line workers or in the human resources department. But for any change effort to be effective, have a lasting effect on an organization and be truly transforming — in other words, to be an inclusion breakthrough — it must be led and modeled from the top. Only the organization's senior executives can provide the commitment, resources and credibility required to convince people in the organization to stop behaving in the ways they have always behaved and to start adopting new, unfamiliar ways that may initially feel awkward, embarrassing and risky. Unless senior executives live the behaviors, values and attitudes of the inclusion breakthrough as the organization's new way of life, the rest of the organization will continue to follow the old ways.

Creating Momentum

Phase I of mobilizing for an inclusion breakthrough focuses on identifying, developing and aligning resources, and positioning the effort for implementation. As the more action-oriented Phase II gets under way, it is important to create momentum in the organization by emphasizing the mission critical nature of the process.

This is the time to make clear to everyone in the organization that life is going to change. Leaders of the effort must be prepared to be more visible. They must be ready to model the competencies and behaviors that they want to encourage in others and be prepared for the feedback, verbal and nonverbal, given to all pioneers of change. There will be new expectations, required competencies, and ways of behaving and working together.

In developing the initial 12-to-18 month plan for implementing organization-wide culture change, the inclusion breakthrough leadership team should focus on building and sustaining momentum to make it happen. The elements of Phase II should be incorporated into the plan, including the strategies and actions that emerge from the data feedback process.

Making Diversity and Inclusion a Way of Life

After the organization has built a platform for change and created momentum for the change effort, the leaders of the inclusion breakthrough are positioned to apply what they have learned about leveraging diversity, building inclusion and strategic culture change to accomplish goals they could not have defined before embarking on the effort.

Key to developing an expanded and longer-term plan for achieving and sustaining the inclusion breakthrough is leveraging the new competencies, resources and organizational capabilities that have been gained since Phase I. They make a new realm of strategies possible. More significantly, they make a new realm of strategies *doable*.

Central to Phase III of the methodology is developing strategies that link the inclusion breakthrough to all of the organization's operations and process-improvement initiatives. Such strategies include applying inclusion-oriented competencies to achieve breakthrough transformations in customer service, product design and market-development planning. The starting point may be a culture change effort, but the results include a repositioning of the organization's products and services for a more sustainable future.

Leveraging Learning and Challenging the New Status Quo

Phase IV of the methodology to achieve an inclusion breakthrough might be described as "Going Forward Back to Phase I." To sustain the inclusion breakthrough, it must be continually recreated. Even a highly diverse group can grow static and overly comfortable with the new status quo unless it constantly strives to increase and leverage its diversity and expand its parameters of inclusion.

Just as the strategies of Phase III cannot be formed or implemented until the lessons of Phases I and II have been experienced and learned, the strategies of Phase IV use what has been learned from the first three phases to evaluate the progress to date and reassess the needs of the organization in light of the changes in perspective and circumstance since the start of the inclusion breakthrough.

Another key to the success of the inclusion breakthrough is the understanding that unforeseen issues will arise. The organization's senior leaders must build in the flexibility to deal with these unexpected issues as they arise.

Communicate Accomplishments Internally and Externally

Going public is necessary to maximize the full benefits of the inclusion breakthrough. To attract talented people from the broadest spectrum of backgrounds, having the right stuff is not enough. An organization must also be known as a place of opportunity for growth and success, financially and professionally, with a culture that welcomes people's passions.

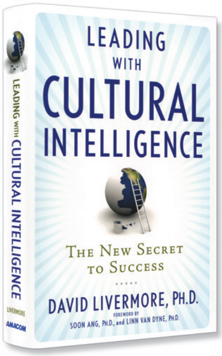
Continuous Improvement and Continuous Change

Unleashing the real power of diversity is not about just adding on to business as usual — there is no such thing as steady state. The inclusion breakthrough is about continuous improvement and continuous change, the capability to respond to an ever-shifting and continually changing environment and having a wealth of resources capable of responding to that environment. And it continually raises the bar — as customers receive more, they expect more from both the organization and others they come in contact with, demanding that organizations meet and exceed their expectations.

To achieve this status, an organization must pursue a course of strategic visibility, seeking to raise public awareness of its workplace practices and accomplishments, especially among the people it wants to attract.

Conclusion: Breaking Out of the Box

To bring about the inclusion breakthrough in your organization, you have to start by making one within yourself. To lead an inclusion breakthrough effort, you must commit yourself to constant learning and growing. Part of creating a safe environment for growth and change is making it safe for people to experiment and to know that each step informs the next — to allow for mistakes, to deal with obstacles and to identify new opportunities along the way. It takes both patience and a sense of urgency to achieve a breakthrough: patience to position all the right elements and urgency for execution. Getting an inclusion breakthrough effort launched is really just the first step of the journey. To succeed and survive on this journey, you and others must be committed to the potential of all people in the organization and the positive power of their combined efforts.



Leading with Cultural Intelligence

By David Livermore, Ph.D.

AMACOM, © 2010, 220 pages

Marcelo, the leader of a large Brazilian firm, was on time and ready for the meeting with his American counterpart to discuss the new training program for his managers. For the American manager, an hour was plenty of time but Marcelo barely had enough time to catch up socially with his American friend. Thanks to very different cultural time orientations, a mere hour turned out to be an unrealistic time frame, so their meeting was a bust.

According to the most recent statistics, 70 percent of all international ventures fail because of cultural differences. To help managers navigate the vast differences between the people in their global teams, international consultant and leadership coach Dr. David Livermore has written *Leading With Cultural Intelligence.* Throughout his book, Livermore presents a well-researched guide to creating the repertoire needed to help managers and executives lead those from a wide range of cultures.

Four Keys of CQ

Leaders who must work with employees from widely dispersed countries often run into numerous problems that prevent them from becoming effective, respected and confident managers. Livermore's solution to the common difficulties that derail the efforts of leaders who manage international teams is made up of four key parts that work together to improve their success rates. By mastering each of these components, an international leader will learn to tap into the power of cultural intelligence, or CQ.

CQ, as described in the *Handbook of Cultural Intelligence* by Drs. Soon Ang and Linn Van Dyne, is a leader's "capability to function effectively across national, ethnic and organizational cultures."

Livermore explains that developing real CQ does not require a leader to "master all of the norms of the various cultures encountered." Instead, it simply requires a leader to develop a better perspective on his or her job and people while building the capabilities that increase cross-cultural leadership. Through painstaking research across 25 countries, Livermore developed his four-part model that aims to help international leaders raise their CQ.

Drive and Knowledge

A leader's drive is the first part of the four-step cycle that Livermore describes in *Leading with Cultural Intelligence.* "CQ Drive" is based on a leader's motivation for taking on an international assignment. This includes a demonstration of interest, confidence and a willingness to adapt to cross-cultural situations. Livermore explores the levels of motivation that can improve culturally diverse experiences.

The second step of Livermore's CQ cycle is *knowledge*, which centers around the question "What cultural information is needed to fulfill this task?" Learning about and keeping in mind Marcelo's time orientation is one way his American counterpart could have been better prepared for their meeting. A breakdown of event time orientation vs. clock time orientation is just one of the valuable bits of CQ knowledge that Livermore offers.

Strategy and Action

The third part of the CQ cycle is strategy. By determining his or her plan for an international initiative, a cross-cultural leader is better prepared to face the challenges that will undoubtedly arise.

And the final step in Livermore's four-step cycle of CQ is action. The best actions that will help a leader succeed are found when he or she researches, learns and adapts the right behaviors and communication styles to effectively complete an intercultural initiative.

While exploring each of the steps along the way to more effective international leadership, Livermore provides many best practices and insights that can help leaders get over the toughest cross-cultural hurdles. His ideas are realistic and effective because they are grounded in the latest research and have been tested in the field by leaders in a variety of multicultural situations.

Rather than simply emphasizing cross-cultural understanding, Livermore's approach involves a leader's personal interests and strategies in the adaptation process, as well as the psychological dynamics involved in all personal interactions.

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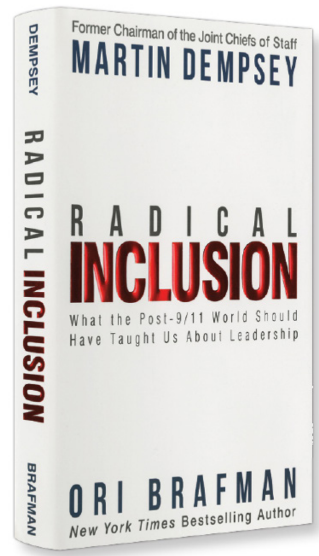
Radical Inclusion

What the Post-9/11 World Should Have Taught Us About Leadership



by Martin Dempsey and Ori Brafman

THE SUMMARY IN BRIEF

In *Radical Inclusion,* authors Martin Dempsey and Ori Brafman show that today's leaders are competing for the trust and confidence of those they lead more than ever before. The nature of power is changing and should not be measured simply by degree of control.

In today's environment, the speed and accessibility of information create "digital echoes" that make facts vulnerable, eroding trust between leaders and followers. Fear of losing control in our fast-paced, complex, highly scrutinized environment is pushing us toward exclusion — exactly the wrong direction. Leaders should instead develop an instinct for inclusion. The word "radical" emphasizes the urgency of doing so.

Power and control once went hand in hand, but no longer. Control is seductive but unlikely to produce optimum, affordable, sustainable solutions. *Radical Inclusion* demonstrates that leaders must relinquish and share control to build and preserve power. Through examples from business, the government and the military, the authors bring to life key principles for adapting to the new leadership landscape.

IN THIS SUMMARY, YOU WILL LEARN:

- To understand "the digital echo."
- Why narratives are so influential in today's leadership environment.
- The six key leadership principles of radical inclusion.
- Three essential leadership instincts for those who practice radical inclusion.

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THE COMPLETE SUMMARY: **RADICAL INCLUSION**

by Martin Dempsey and Ori Brafman

The author: Martin Dempsey served for 41 years in the U.S. Army, including as the Chief of Staff of the U.S. Army and the Chairman of the Joint Chiefs of Staff. In 2015, he was named one of the most influential leaders in the world by *Time* magazine. Ori Brafman is a researcher, entrepreneur and author of three *New York Times* best-sellers. Brafman's ideas on leadership have been implemented by the U.S. government, Google, Microsoft, Cisco and Intel, among others.

Radical Inclusion: What the Post-9/11 World Should Have Taught Us About Leadership by Martin Dempsey and Ori Brafman, © 2017 by Martin Dempsey and Ori Brafman, has been summarized by permission of the publisher, Missionday. 192 pages, ISBN 978-1-9397-1410-7.

PART I: THE OPERATING ENVIRONMENT

The Digital Echo

People who have been to battle know that the most dangerous attacks don't announce their arrival. The most lethal attack is the one that catches us by surprise.

The military describes such blindness to impending attack as the "fog of war": the myriad things you may not know about your adversary — their location, numbers, capabilities and goals.

But think about this: What if the fog not only denied you access to the facts but actually convinced you of the validity of erroneous data? From a business perspective, imagine not merely being unsure about the num ber of your customers but being certain of an incorrect number. It's under this condition — of believing wrong information — that the most difficult issues emerge and take us by surprise.

There is always some fog present, and organizations try to diffuse it as best they can. Businesses analyze market trends to identify and outmaneuver the competition. But what if the information you see deceives rather than informs you?

Consider a recent hoax in which, with the aid of bots, the Twitterverse was convinced that a Louisiana chemical plant had gone up in flames — local news even reported on the fire. They eventually got the facts right when they sent a reporter to the scene, but what happens when local news gets replaced by distributed networks? In other words, what will happen when anyone can produce a news story? In a case like this false fire, social media might have two versions of the same story. One would say there was no fire — showing a video of the unburned site — and then there would be another narrative, with photos purporting to show the explosion and its victims.

It's not always accurate to call instances like these "fake news." They can occur without any intentional deception. An inaccurate news story — even an accidentally inaccurate one — creates a "digital echo," and though the original source may be corrected, the echo — reverberating across distributed networks — endures forever.

In a world where verifying facts is becoming increasingly difficult, inclusion is imperative. It gives us sources as close to the ground or the action as possible, providing our best chance of getting at the truth. When we are forced to compete in a battle of narratives, inclusion is still our best weapon: Only by leveraging a diversity of voices can we create a winning narrative.

The Power of Narrative

How many times during your personal or professional life have you been on the right side of an argument but been unable to convince others around you? How many teams have you been a part of that felt excluded from the overall organization?

Narratives are having greater and greater impact in industries and on the world political stage alike. The world is moving from debates about facts to battles of narratives.

Facts are by definition grounded in logic. Narratives, however, are based on emotions. Facts need to be verified in order to have utility. But narratives gain power merely by spreading. Unlike facts, no one expects narratives to be exacting. They are derivatives of the truth, not pure versions of it. Thus, they're allowed to be more flexible and agile, because they spread by being

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Rebecca S. Clement, Publisher; **Sarah T. Dayton**, Editor in Chief; **Ashleigh Imus**, Senior Editor; **Kylie O'Connor**, Graphic Designer; **A. Imus**, Contributing Editor

interesting, not necessarily by being accurate. They don't have to be scientifically on point; they just need to have a compelling plot.

This brings us to the core of the issue. Facts depend on expert validation to persist, while narratives simply need to be retold. That means that you can't win a narrative battle by simply proving that the opposing narrative is in some way inaccurate. *A narrative battle is won by drowning out the countermessage.*

The Boston Marathon Bombings

Exactly two years after the Boston Marathon bombings, a meeting was held at Harvard Business School where senior White House officials, entrepreneurs, members of the Islamic community, media strategists and policy experts were invited to discuss how we might prevent an attack like the one in Boston from happening again.

The group began by trying to understand how the Tsarnaev brothers were recruited to commit the terror acts in the first place. They weren't part of a formal organization that gave them commands, nor were they even members of an underground network that hatched a September 11–style attack. The terror networks had turned to technology and to narratives to stay alive.

Terror group members were posting their content online and hoping for the best. In the past several years, more and more videos had been posted. And remember: top-ranked videos are by definition compelling and easy to mutate or regenerate. The narrative continued to mutate until the Tsarnaev brothers learned from that content and committed their act of terror. In a very real way, the narrative had *become* the organization.

The Harvard group recognized that you couldn't contain the narratives through conventional means. Eliminating them from one social media site was like playing Whack-a-Mole, as videos would pop up on another site almost instantaneously. Trying to debunk the message (and win the debate) only gave the videos more attention.

We now need to start considering videos and other narrative-building content as their own entities. Online videos make it easy to belong, to feel an affiliation with a story, especially a memorable one. Lacking resources, the weaker player will often resort to fighting a narrative battle because — unlike court cases or massive protests — producing a story is cheap and easy. Instead of relying on centralized distribution channels, video stories are easily disseminated among members of a network and beyond.

The realization that narratives have become a new type of organization sheds light on how governments and businesses alike can react to a market force that demands inclusion. For companies wanting to effectively engage in a battle of narratives, inclusion is becoming the new way of being heard.

PART II: HARNESSING THE POWER OF INCLUSION

The Economics of Inclusion

Participation, Personalization and Purpose

If you're able to give a marginalized community (be it a group of voters, the employees of a company or a segment of social media users) a chance to participate, to personalize content and to do so toward a common purpose, you can tap into an underutilized resource that can be harnessed very effectively using fewer resources.

Consider these three central points: First, not including — exerting control — comes at an economic cost, one that is increasingly difficult to bear and harder still to justify.

Second, the way to thrive in the age of the digital echo is to bring a cause to a preexisting community. That is, rather than trying to build a community around a specific idea or belief, identify existing communities with whom the cause will likely resonate.

Third, and most important, although much has been written about diversity and the importance of inviting more people — and more voices — to the table, many have been viewing inclusion through the wrong lens. Inclusion isn't necessarily the opposite of exclusion. Real inclusion isn't about letting just anyone in; it's about understanding the pillars of participation, personalization and purpose.

Participation. We often think of inclusion as simply the act of not excluding, of not barring anyone. We thus associate inclusion with, basically, letting anyone in the door. The kind of inclusion referred to here isn't necessarily about admission; it's about participation. The people in your organization need not be a part of every meeting, but are you enabling them to participate in furthering the organization's overall goals?

Personalization: Humanizing the How. Whether you're communicating with customers or managing employees, you can rely on inclusion to humanize your message and deliver it more effectively. Inclusion is about concentrating the *what* (i.e., the directive, the goal) and distributing the *how*.

Purpose: Bringing the Cause to the Community. Traditional efforts to mobilize groups of people follow the assumption that once you've identified a worthy cause (whatever it may be), you must then build a community around it. The problem with this approach is that it's hugely time consuming, and every new cause requires a new supporting community to be built from the ground up.

But what if we flip this notion and bring a cause to a preexisting community? Then the cause becomes the *what* and the community, already vibrant and thriving, rallies around to determine the *how.*

The Power of Belonging

Since the 1940s, a sense of belonging has been recognized as a human psychological need and one of the major sources for human motivation. It's important to us; whether we're conscious of it or not, a sense of belonging keeps us healthy and happy.

Belongingness developed to serve an evolutionary need: those who formed mutual attachments to others enjoyed the safety of numbers and were less likely to wander off alone into danger. As social beings, we protected one another, shared resources and collaborated to gain advantages over other species.

Though deeply rooted in basic survival in a very different world, the need to belong hasn't faded over time. Today and millennia ago, belongingness consists of the combination of a sense of identity (how we distinguish ourselves from others), a sense of security (the opposite of powerlessness) and a sense of order (structure and predictability).

In the past, our sense of belonging was rigidly defined in terms of traditional markers of social identity: our families, close friendships, lifestyle choices, nationalities, professional identities and hobbies.

Today, for the first time in human history, via the Internet, people are able to create their own geographically dispersed belonging categories. We can seek and find groups whose members could be anywhere across the globe. Simply by participating in a social media network, an individual has the ability to start a movement, become a leader and gain a following.

Studies have demonstrated that the Internet environment is very supportive of friendships, romances, volunteerism, fund-raising and every variety of support group an individual might seek out. Yet research has shown that compared with traditional group behavior, people engage in aversive social behavior in the digital world extremely easily.

Research also suggests that in online groups, individuals feel stronger attachment to the group's identity than to their own personal identities; in fact, personal identity is all but erased due to the lack of nonverbal cues highlighting individual differences. This makes for an extremely cohesive in-group: one that suppresses individuality and magnifies the differences between the in-group and outsiders. There are obvious implications for online communities espousing extremist views of any stripe.

The human desire to belong holds a key to understanding how to lead in our current environment. In a world where people are not readily feeling as if they belong to a positive cause, and where everyone has the ability to belong to something, we need to help our team members make good decisions regarding the efforts with which they choose to identify. We as leaders must create real and authentic ways for our subordinates to feel that they are a part of something meaningful.

PART III: THE INCLUSIVE LEADER

Belonging Isn't Optional

Leadership Principle #1: Give Them Memories

If people don't feel like they belong to your group, department, company or corporation, they easily can and probably will find something else to believe in and belong to. The most important responsibility of leaders — no matter how busy they are and how many other priorities demand their attention — is to make their people feel like they belong.

Opportunities to make our followers feel they belong are all around us, opportunities to "give them memories" so that they know we care about them by investing in them our scarcest resource: time. Leaders have to develop an instinct for communicating a sense of belonging to their followers and then be alert for opportunities to do so. A private word in the hallway. A compliment at a meeting. The willingness to listen for just a few minutes beyond our usual attention span. Producing memories of success, memories of failure, reinforcing a feeling of commitment and belonging. Give them memories, or someone else will.

"Give them memories" is the ongoing practice of providing your subordinates with meaningful experiences from which they will learn and that they will carry with them into the future.

The kinds of experiences a leader should provide include the following:

Successes: Every team member should have memories of what success looks like. How the team accomplished its goal. How the individual himself contributed to that goal. And what it felt like to contribute to the success of the organization.

Failures: Everyone should also have memories of what failure looks like. What the team did wrong or what it could have done better to achieve the goal. What effect the failure had on the overall goals of the organization. And the feelings one must manage in the face of failure.

Being cared for: At the core of belonging are a sense of purpose and a sense of safety. When we show our followers that we care about them as individuals and as contributors to our teams, we reinforce the strength of their sense of belonging to the organization.

What right looks like: Leaders need to provide their team members with opportunities to learn how to decide what is the right thing to do and carry out those actions, even when doing so is the more difficult route.

What wrong looks like: Mistakes are bound to happen, and these are often the best learning opportunities.

Memories help to inspire and nurture in each individual a genuine commitment to follow the leader in his or her mission to serve the purpose of the organization.

Connect Effort With Meaning

Leadership Principle #2: Make It Matter

The movie *Saving Private Ryan* takes place during the initial days of the Normandy invasion in June 1944. It is a tale of unimaginable courage and leadership under the harshest of conditions.

A schoolteacher before being drafted, Captain John Miller and nine of his men survive the horrors of the landing on Omaha Beach and are sent to find Private Ryan, a soldier who has landed behind enemy lines with the 101st Air Assault Division and the sole surviving son of a mother who has just lost her other three sons in combat within days of each other.

There is a powerful scene at the end of *Saving Private Ryan* in which Captain John Miller, dying of his wounds and having lost eight of his nine men on the mission to find Private Ryan, whispers to Private Ryan, "Earn this!" Captain Miller is telling Private Ryan to make their sacrifices matter.

We all want to believe that what we do matters. That's true whether we're reflecting on our personal life or on our life in the workplace. One of a leader's responsibilities is to make sense of things for their followers. As "sense makers," leaders help those around them understand how their contributions fit into the organization's accomplishments. They help them appreciate how they matter. The best leaders do this deliberately and the very best do it often.

The ways leaders can "make it matter" include

Define and allow others to understand who you are. Leaders at every level must understand who they are individually and within the larger vision of the organization. The knowledge of where you fit in the organization gives you strength, aligns your values and encourages you to lead. The drive, passion and energy you feel should be worn on your sleeve each day to model desirable behavior and as evidence of how one's individual purpose can coexist with the overall vision of the organization.

Make each individual feel that they have the potential to be a better person. By allowing your subordinates room to grow and fostering collaboration among team members, you encourage the entire team to use their work as a vehicle to the benefit of themselves and the organization.

Make sense of things for the team. It is the leader's responsibility to instruct, to coach, to hold accountable and, importantly, to "make sense" of what's going on around the team as it seeks to accomplish its goals. Only when the leader shares knowledge can individuals within the organization understand where they fit.

Think About What You're Not Thinking About

Leadership Principle #3: Learn to Imagine

In team sports, what most often sets elite athletes apart is the ability to use their imagination in creating opportunities for themselves and for their teammates. Legendary hockey player Wayne Gretzky once attributed his great success to "skating to where the puck is going, not to where it has been."

Imagination is a learned attribute. It's some combination of training, experience and eventually instinct that produces creativity in complex environments at the speed of teamwork.

Leaders can learn to imagine if they place the emphasis on "learn."

- If they learn to listen and to seek to know what the most junior member of their team knows.
- If they learn to be alert for weak signals and to avoid becoming complacent, satisfied with information affirming their beliefs.
- If they learn to find advisers who will challenge them, encourage them, surprise them.

- If they learn to connect disparate thoughts and to become uncommonly articulate.
- If they learn to challenge assumptions and to ask the right questions.
- If they learn to become comfortable with complexity and wary of simplicity.

If you're a leader, you will need to exercise your imagination on behalf of your team. But learn first, and then you'll be able to imagine. Just like an elite athlete.

We as leaders must accept and understand that the environment in which we find ourselves leading today is constantly and rapidly changing, and the information we receive is affected by the digital echo. And this has a number of implications for how we run our organizations.

It means that what worked for us before may not work for us now, that the procedures manual on which we relied in the past cannot possibly cover all the issues we will face in the new environment. Our roles as leaders are continually increasing in complexity as the challenges we face become vaster and more diverse.

Instead of executing tasks as experts in our fields, we will be asked to solve problems that we may feel only somewhat able to handle. We will be responsible for carrying out tasks and completing missions for which we have no experience whatsoever, and with a lot at stake.

The solution is that when faced with any task, whether routine or extreme crisis, we must first imagine the possibilities, or "learn to imagine," in order to determine exactly what our team's goal should be in order to solve the problem.

As leaders we must avoid assuming that the first answer is the best answer. We cannot blindly follow existing procedures simply because they have worked in the past. Our environment is changing too quickly, and our challenges are becoming too complex.

Prevent Decision Paralysis

Leadership Principle #4: Develop a Bias for Action

As a leader in today's environment, you may not find yourself responsible for the outcome of an ongoing evolutionary contest, but you will find yourself responsible for the outcome of a contest for the success, the trust and the confidence of those who follow you in an ever-evolving, ever-changing environment.

And to prevail in that contest, you need to develop a bias for action. A bias for action is a leadership instinct based on the belief that in order to decide, you must learn, and in order to learn, you must alter the status quo.

A bias for action is a leadership instinct that mitigates decision paralysis and helps you avoid the endless pursuit of that one exquisite piece of information that seems to be all that stands between you and clarity.

A bias for action is the recognition that, in our complex world, learning is active and iterative. We act, we assess and we act again. A bias for action is the recognition that facts are vulnerable and that speed matters in the era of digital echoes. A bias for action won't solve all of your leadership challenges, but it will energize your organization, keep you alert to both vulnerabilities and opportunities, and illuminate the often-hidden cost of inaction.

The military has a saying: "Lead, follow or get out of the way." That's a bias for action.

In a well-known anecdote about Albert Einstein, he is quoted as saying that if he had 60 minutes to save the world, he would spend 55 of those minutes understanding the problem and five minutes fixing it. Many past leadership theories have echoed Einstein, encouraging leaders to carefully analyze problems before taking action.

Contemporary leadership theories, however, must understand the changing nature of time and how it affects us as leaders and the decisions we make in our organizations. Leaders cannot allow themselves to become paralyzed by a search for the perfect answer while information flows and technology updates at ever-increasing speeds.

Leaders are now facing scenarios that require action in the moment, before significant changes can occur in the environment and before we can possibly fully analyze the problem. The longer we take to respond to catalysts, the more our environment adapts, and the less we understand about the issue and how to solve it. So we must act quickly but intelligently.

To interact with the new environment, we need to change and evolve along with it. We need to act based on the information we have, not remain immobile waiting for "better" options to emerge.

Actively engaging with issues to influence their outcomes early, before they evolve in ways that may prove even more counter to our interests, is paramount. We need a bias for action not only to be decisive in our reactions to catalysts but also as part of our overall strategy in building and sustaining our power. Without it, companies and countries alike will simply be outpaced.

Collaborate at Every Level of the Organization

Leadership Principle #5: Co-Create Context

Decisions are always made in some context. As a result, they produce second- and sometimes even third-order effects that inevitably affect future decisions. So gaining the best possible understanding of context before making decisions produces better decisions.

For example, military commanders in Iraq and Afghanistan quickly learned that destroying infrastructure used by enemy forces might make perfect sense militarily, but in that environment and in that kind of conflict the adverse effect on local civilians could be detrimental to the long-term objective of gaining their support and ending the campaign. The decision to destroy buildings, bridges and markets or leave them intact depended on an appreciation of context.

An understanding of context is best achieved when there is collaboration at every level of the organization. This is called the "co-creation of context," to make the point that it is everyone's responsibility and to highlight — again — that speed matters in the era of digital echoes.

Typically, senior leaders gain an understanding of context by "pulling" it from within their organizations. In the military, senior leaders publish "priority information requirements" (PIR), which tell subordinates what these leaders want to know.

But we would be more effective as leaders if individuals within the organization were organized and encouraged to tell us not just what we say we want to know but also what they think we need to know.

In discovering options, the best ideas do not always come from the top of the organization; in fact, it is often the team members on the front line who have the most creative solutions — which may turn out to be the ones that save us. Our challenge as leaders is to empower the entire organization to take part in understanding the problem the team is facing and to encourage individuals at all levels to suggest potential ways to reach our desired outcomes.

Expand the Circle

Leadership Principle #6: Relinquish Control to Build and Sustain Power

The era of digital echoes requires leaders to develop an instinct for inclusion, an uncommon commitment to reach beyond collaboration all the way to trust, and a willingness to purposefully relinquish control to preserve power.

In these times, we can choose to see the world as a perpetually competitive arena where interactions result in winner-take-all outcomes, or we can see the world as an increasingly and inevitably collaborative space where common benefits accrue through common costs.

Rather than attempting to dominate, leaders instead should learn to relinquish control. Instead of grasping at the control we may feel slipping through our fingers, we should embrace the changing nature of power. We should allow control to flow out of our hands and into the capable, trained hands of the members of our organizations.

Without power, we cannot expect to lead. But leaders often exert control when it is not needed and at a cost that is not justified. In this new environment, concentrations of power cannot endure. While power remains necessary for effective leadership, the path to sustainable power is no longer through control. Real power is measured not in degree of control but rather in the ability to find optimum, affordable, enduring solutions to complex problems. In these times of complexity, speed and scrutiny, the best solutions, the most affordable solutions, the most enduring solutions will be the product of inclusion.

The energy sector provides a good example. For most of the last century, the energy sector has enjoyed a relative monopoly. However, that monopoly is rapidly eroding. Nineteen states have adopted competitive energy markets, and the other 31 are in various stages of reforming their regulatory structures.

Jim Rogers, former CEO and president of America's largest energy company, Duke Energy, describes the changing energy environment as "the democratization of electricity." Customers are increasingly going off the gas and electric grid in favor of renewable energy.

Jim also describes an industry where there have been few positive interactions with customers. "Everyone," he says, "knows the cost of a gallon of gas. No one knows the cost of a kilowatt-hour of electricity." The result is suspicion, mistrust and an adversarial relationship with customers, who have felt imprisoned by a lack of choice in energy providers.

Together these factors have made the cost of maintaining control of the traditional natural gas and electric utilities prohibitively high. Jim's answer: Utilities need to take on the task of designing customer experience with energy. To preserve their power — their market share and influence — they must relinquish some control to renewables and to their customers.

In his vision statement for National Grid, titled "The Democratization of Energy," president Dean Seavers reflects on the tremendous change facing his industry and outlines three imperatives for managing that change: "First, we must put customers in charge. Second, we must embrace our technology partners. Last, yet most important, we must change how we regulate and finance the industry."

What do Jim, Dean and most in the energy sector understand? That they must act now, that they must co-create the context in which energy decisions will be made with numerous — and even some unlikely — partners, and that they must relinquish control to create an optimum, enduring and sustainable outcome.

The Leadership Instincts: Listen, Amplify, Include

There are three attributes that are essential in a leader. They interact in this way:

Listen to learn. Listen to make it clear to those who follow that you value their insights, their judgments and their advice. Listen to understand the organization and to become mindful of opportunities and vulnerabilities. Listen because it is most often "weak signals" that portend success or failure.

Amplify to establish expectations. Amplify the best ideas, the best recommendations, the best practices, and do so in a manner that encourages teamwork at every level of the organization. Amplify the organization's values to strengthen the inner voice that reminds us what's right, a voice that can sometimes be drowned out by digital echoes. Amplify because the best leaders establish a drumbeat of emphasis on values within their organization. Amplify because everyone benefits when there is a common vocabulary about what's expected of them.

Include to empower. Go wide and deep in including members of the organization to share knowledge, to create a common understanding of problems and to encourage ownership of solutions. Include to inspire loyalty. Include as the first step in developing a climate of trust. Include because if you don't, who will?

Leaders must understand that the instinct to listen is an art, a skill and a system that must be employed in order to build a team ethos, embrace a bias for action and relinquish control.

Opportunities to listen are all around us: personal interactions, structured and unstructured meetings, walking the halls, social media, town hall meetings, conversations in the elevator. Everywhere and anywhere are opportunities to listen.

By amplifying the successful ideas and solutions created by members of our teams, leaders show how relinquishing control, empowering the team and listening benefit the organization as a whole. They advance the mission of the organization by making positive examples of the kinds of ideas and actions that achieve results necessary for optimum, enduring and sustainable success.

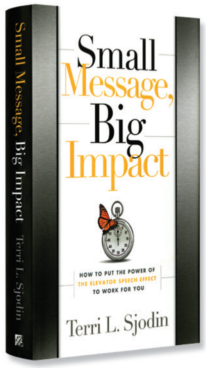
When a leader amplifies the successes of the members of his organization at all levels of responsibility, it is not only a "pat on the back" for the individual whose success is amplified. It's a memory, and it's one that matters. It has helped to reinforce a sense of belonging and demonstrate the leader's willingness to relinquish control.

All of these principles and instincts are what this new leadership theory deems necessary for companies and countries to thrive in the new environment. Through constant reinforcement of these principles and ongoing development of these instincts, leaders can develop teams and organizations that will build and sustain their power not through control but by radical inclusion.

For those who aspire to lead, the future is rich with opportunity. Issues will continue to become more complex, mutate more rapidly and draw more scrutiny. Technology will provide more data and more accessibility. Leading will be exciting, and it will be dynamic.

It will also be harder: harder in an environment that can produce paralyzing choices, ubiquitous distractions and dramatic polarization. Inclusion is harder and can be slower, but it is a necessary precondition for achieving effective, efficient and enduring solutions to complex problems.

It's about persistent learning, shared ownership of decisions and deeper commitment to the implementation of those decisions. It's about developing trust by listening, amplifying and including.



Small Message, Big Impact

by Terri Sjodin

Greenleaf Book Group Press © 2011, 208 pages

Speaker and consultant Terri Sjodin, author of *Small Message, Big Impact: How to Put the Power of the Elevator Speech Effect to Work for You*, remembers her first elevator speech. It was two minutes long — the time it took to walk from a potential client's parking space to the front door of the client's building. The potential client was Jim Emery, owner of a large real estate organization called Century 21 Emery, which had 450 sales agents spread across nine offices. Sjodin was hoping to make a pitch in those nine offices about the sales training seminars she was selling. Only Emery, who prohibited outside presenters into his offices, could allow her to do that, and she had two minutes to try to sell him on the idea.

Her two-minute intervention led to an hour-and-a-half meeting with Emery and, eventually, allowed her to reach her sales goals for that cycle. Elevator speeches — three-minute presentations that are cohesive, comprehensive and persuasive can turn into longer presentations, leading to successful and lucrative transactions and even long-term relationships.

Three Benchmarks

The best elevator speeches, Sjodin writes, have three incontrovertible benchmarks: case, creativity and delivery. In three minutes — and sometimes less — the elevator speech must present a persuasive case based on clean, logical arguments and supported by evidence. Creativity in illustrating the talking points of the elevator speech is essential. And, finally, the speech must be presented in the authentic voice of the speaker, not in the drone of a memorized recitation.

In building a persuasive case, structure is important, Sjodin writes. You must be able to cover, in 30 seconds, each of the main parts of a speech — introduction, body with three main points, conclusion and close. Note that "close," which is a call to action, is not the same as "conclusion," which simply wraps up the main points of the speech, she writes.

The elevator speech must also pass the "So what?" test.

Ten Steps

In *Small Message, Big Impact*, Sjodin covers the 10 steps required to develop an effective elevator speech:

1. **Know your intention.** Know exactly what you want your speech to achieve.
2. **Examine your scenario.** You need to prepare differently based on whether the opportunity is planned or unplanned.
3. **Draft your core outline.** Structure the speech — there's no time for rambling.
4. **Build your case.** Pass the "So what?" test.
5. **Don't forget to close.** You want your listener to take an action.
6. **Get creative.** Bring the speech to life.
7. **Speak in your own voice.** Otherwise, you won't be authentic.
8. **Write it out.** Start with a long version, then transfer it to index cards.
9. **Practice, practice, practice.**
10. **Use it!** Don't keep it in your pocket.

Earning the Right to be Heard

One of the challenges of elevator speeches is getting the opportunity to present them. In some cases, a chance encounter leads to an elevator speech opportunity — one reason Sjodin suggests to her readers to be constantly prepared. Often, however, the reason an elevator speech is required is that the recipient of the speech had earlier refused to grant the time for a lengthier presentation. "You must take action in order to make something happen strategically," Sjodin writes. Emery, who heard Sjodin's first elevator speech, had repeatedly rejected requests for meetings. Sjodin decided to wait at Emery's parking space early one morning with a single white rose and a card that said, "Please give me ten minutes of your time. I definitely believe I have something that will be of interest to you." He gave her two minutes — which was enough to launch the elevator effect.

No matter what their job description or situation, everyone is in some ways a salesperson — selling themselves for a job or a project, selling their ideas or initiatives, selling their convictions. All readers will benefit from the detailed how-to guide that Sjodin offers in *Small Message, Big Impact*.

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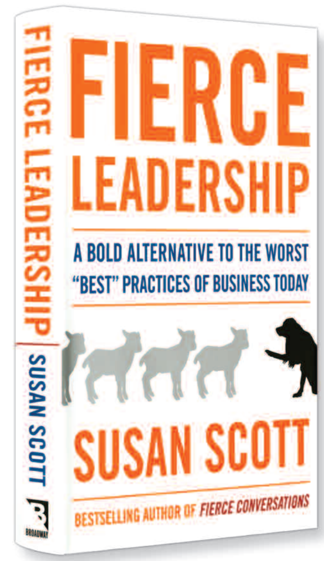
Leadership



by Susan Scott

Fierce Leadership

A Bold Alternative to the Worst "Best" Practices of Business Today

THE SUMMARY IN BRIEF

Provide anonymous feedback. Hire smart people. Hold people accountable. These are all sound business practices, right? Not so fast, warns corporate training expert Susan Scott. In fact, these mantras — despite being long-accepted and adopted by business leaders everywhere — are completely wrongheaded. Worse, they are costing companies billions of dollars, driving away valuable employees and profitable customers, limiting performance and stalling careers. Yet they are so deeply ingrained in organizational cultures that no one has questioned them. Until now.

In *Fierce Leadership*, Susan Scott explains how to spot the worst "best" practices in our organizations using a technique she calls "squid eye" — the ability to spot the disastrous behaviors to which we have fallen prey — so we can apply the antidote.

With fierce new approaches to everything from employee feedback to corporate diversity to customer relations, *Fierce Leadership* offers fresh and surprising alternatives to six of the so-called best practices permeating today's businesses. *Fierce Leadership* will help any leader at any level who is ready to take a long, hard look at what trouble might be lurking in his or her organization — and do something about it.

IN THIS SUMMARY, YOU WILL LEARN:

- How to positively influence situations and organizations.
- How to marry how you are with who you are.
- How to answer some of the most compelling questions in business today.
- How to re-energize leaders, employees and managers alike.
- Why "received wisdom" is wrong and how to get it right.

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THE COMPLETE SUMMARY: **FIERCE LEADERSHIP**

by Susan Scott

The author: Susan Scott is the founder of Fierce, Inc., a global training company whose clients include Yahoo!, Starbucks, Cisco, New York Life, Coca-Cola, Best Buy and LEGO. She is the author of *Fierce Conversations: Achieving Success at Work & in Life, One Conversation at a Time*.

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Introduction

Leaders are usually highly intelligent people with invaluable experience on the firing line, a decent amount of humility, a wicked sense of humor and a strong desire to grow their companies and champion change. They are usually on the right track, and much of what they do works. Yet so many pour considerable time, intelligence and cash into significant sinkholes — *practices* — with no good outcomes and, in fact, costly implications.

It's not that we're trying to deliberately sabotage our companies; it's just that we don't always recognize the implications of our practices, because most of the time, those on the receiving end of our questionable ideas don't bellow, "Are you nuts?!" Instead, most flinch, then shrug it off as life in a *Dilbert* world, to be expected, what can I do, I'll lay low until this latest hell blows over.

What we need is "squid eye."

Squid Eye

Paul Lindbergh, an advanced aikido practitioner and killer jazz musician, moved to Hawaii as a teenager and soon began diving with native Hawaiians for squid, a highly prized catch that could be sold for a tidy sum or taken home and served for dinner. But after weeks of diving, despite the fact that the local guys always caught plenty, he had caught only one squid.

When he expressed his frustration — "How come you guys catch squid and I don't?" — the Hawaiians laughed and said, "You gotta have 'squid eye.'"

"What is squid eye?"

They explained.

"It's the ability to see the squid while he is blending into his natural environment. It's the ability to see him just being himself. It is the ability to see him even when he doesn't want you to see him, to see him even when he is hiding. Be advised, he is very skilled. You must understand, he is there."

The Hawaiians began to tell Lindbergh many things about the squid. For example, one might see a few small stones lying on the bottom of the ocean and understand that the squid put them there. When he saw those stones and maybe some shells, they told him to look for a small hole at the base.

It was tough to spot the first mound of stones, like looking for morel mushrooms. You can't find any and then suddenly stumble across one. Once you know what you're looking for, you realize you're standing in a patch of them.

Once Lindbergh learned the tells, like that mound of stones, he had no difficulty finding squid ever again. And then he learned the tells for lobster, kumu, papio and other Hawaiian fish and thereafter began to eat extremely well.

Spotting the Tells

For Lindbergh, tells signaled the presence of a potential feast, famine, even danger.

Even some of the most successful organizations fail to outlast a few generations of management because they are unable to see the threats they face and the imperative to change. And while there are threats we can do little about — a competitor's new gizmo, the price of oil, a

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housing-market crash, an economic downturn, Mother Nature, etc. — there's plenty going on right now under our noses that we *can* do something about. But we don't because we can't see the *tells* signaling that something we're doing is not working, perhaps never did work, is in no danger of working and that, indeed, something is very, very wrong.

The Idea of Fierce

The idea of *fierce* is simple, yet not simplistic.

A culture — whether global, national, corporate or familial — is shaped by our daily practices, and the most powerful practice of all is conversation. Our careers, our companies, our personal relationships and our very lives succeed or fail, gradually then suddenly — one conversation at a time.

The conversation *is* the relationship, and while no single conversation is guaranteed to change the trajectory of a career, a company, a relationship or a life, any single conversation can.

This is true if your company has five employees or 50 or 50,000; if you're in retail, banking, graphic arts or moviemaking; if you're a teacher, a professor, a researcher or a rabbi; or if your expertise is in architecture, manufacturing, dog training or software.

No matter what you do, business — small or global, simple or complex — is fundamentally an extended conversation with colleagues, customers and the unknown future emerging around us. While meetings pile up, add up, the real work is being done by someone offering a nourishing drink to others — one conversation at a time. What gets talked about in a company and how it gets talked about determine what will happen — or won't happen.

Quality Matters

But simply having the conversation isn't enough. It's the *quality* of the conversation that matters.

Conversations provide clarity or confusion. They invite cross-boundary collaboration and cooperation or add concertina wire to the walls between well-defended fiefdoms. Conversations inspire us to tackle our toughest challenges or stop us dead in our tracks, wondering why we bothered to get out of bed this morning. A conversation can be deadly boring or a profound experience of humanity, of intimacy.

A leader's job is to engineer the types of conversations that produce epiphanies: conversations that reveal we are capable of original thought; intelligent, spirited conversations that provide clarity and impetus for action, for change. Yet too often, we, the results-smitten, speak only of measurable goals, key business indicators, action plans, cash-flow projections, economic indicators, process and procedure. All are worthy come-ons, yet true success requires conversations that exert a deeper magnetism, a pull as powerful as the tides. Conversations that are intelligent and impassioned. Personal and universal. Meaningful, authentic conversations during which we wouldn't willingly trade places with anyone. Conversations that feel like they could be taking place in a concert hall or a sanctuary — *fierce* conversations.

Why Fierce?

The simplest definition of a fierce conversation is one in which we come out from behind ourselves, into the conversation, and make it real. While most people are uncomfortable with *real*, it is the *unreal* conversations that should scare us to death. Why? Because they are incredibly expensive, for organizations and for individuals.

Most organizations want to feel they are having a real conversation with their employees, their customers and their evolving marketplace. And most individuals want to feel they are having conversations that build their world of meaning.

What Is 'Fierce' Leadership?

There's a bold, compelling line between "leadership" and *fierce* leadership. It's OK to cross the line.

Practicing Squid Eye

What might you notice if you were practicing squid eye that would suggest you and/or your organization are not "seeing" your customers and clients as individual human beings? Check any of the following tells that apply to *your* organization:

- **You have an initiative called "client centricity."** The fact that there is an initiative on the subject in the first place is a tell to your customers (and to everyone else) that you are *not* client centric, you are the exact opposite; otherwise, you wouldn't need an initiative in that area.
- **You use the term *customer facing*.** This implies that you have a special face that you pull out of a drawer and slap on when you're about to talk with a customer. What happened to you being *you*, consistently, no matter whom you're with?
- **You confuse "presentation training" with sales training.** Your employees are rarely taught how to have conversations — two-way *exchanges* of ideas and sentiments — with your customers.

Here is the short definition of *fierce leadership* (noun, verb):

1. A fast-acting anti-venom to the business-as-usual mode of high task/low relationship, self-serving agendas, directing and telling, anonymous feedback, holding people accountable, excessive use of jargon and mandating initiatives that cause people to weep on too many fine days.
2. Acquiring your most valuable currency: emotional capital.
3. The acquisition of squid eye and the demise of truth-telling squeamishness and ethical squishiness.

You will begin to cross the line, dropping into a different kind of serious, a different way of being, a different quality of relationship, once you understand and act on the central premise at the heart of everything fierce:

If you want to become a great leader, gain the capacity to connect with your colleagues and customers at a deep level … or lower your aim.

Your most valuable currency is relationship, emotional capital. This is far from a naïve, feel-good notion. It's good business sense.

Fierce Practice #1: From 360-Degree Anonymous Feedback to '365' Face-to-Face Feedback

Anonymous feedback doesn't tell us what we really need to know because it is ANONYMOUS, and most people don't provide specific examples to support their evaluations because more specifics might help the recipient guess who wrote them! So we avoid specifics and instead use sanitized phrases and a "score" of some sort, all of which tells the recipient very little about how to improve his or her performance.

The Fierce Practice: '365' Face-to-Face Feedback

Here are the simple rules of 365 face-to-face feedback:

- Stay current by exchanging feedback 365 days a year.
- Do it face to face whenever possible (and never via e-mail).
- Give it as soon as possible after something occurs.
- Praise is as important as criticism. *Actually, it's more important.* So don't just give feedback when it's negative.
- Always own your comments. Feedback is invaluable. It's anonymity that is the problem.

The goal of the fierce practice is to have open, honest, face-to-face conversations, 365 days a year, with the people central to your success and happiness. Give it and receive it.

Praising With Courage and Skill

Feedback is all too often associated with the word *negative*. But in fact, positive feedback — praise, recognition and acknowledgment — is the most powerful feedback of all. Fierce leaders express appreciation and gratitude up close and personal, in the moment. Their comments are authentic, specific, heartfelt. Consequently, the message is received and people glow.

Does praising people require courage, compassion and skill? Yes. As crazy as it sounds, we're just as lousy at praise as we are at confrontation. Maybe worse. Too often, our meager attempts fail to truly reach the people we acknowledge, and that's a shame! What to do?

Ken Blanchard got it right years ago with a simple statement in *The One Minute Manager*: "Catch people in the act of doing things right." Praise doesn't have to come in a group exercise; it's wonderful one on one, face to face, in the moment. Or pick up the phone, write a note, send an e-mail. And don't wait for perfection; acknowledge behavior that is heading in a positive direction. Fierce leaders practice this.

Whole Again

Our most valuable, enduring relationships require that we stay current with one another at work and at home — face to face. While most leaders fulfill their basic job descriptions, including conducting performance reviews, filling out surveys and listening politely (with gritted teeth) to anonymous feedback, fierce leaders do something more interesting, more real. They engage in meaningful conversations that truly connect.

When our achievements, talents and positive results are noticed and acknowledged and our missteps are addressed and resolved, we deepen our commitment to bringing the best of ourselves to our work and to our families every day. And this, in turn, translates to stronger relationships and better performance, which translates to success and happiness.

Who deserves your praise? Who deserves an apology? Whose behavior or attitude is causing serious problems? What are you waiting for?

Fierce Practice #2: From Hiring for Smarts to Hiring for Smart+Heart

In 2003, Howell Raines was fired from his post as managing editor of *The New York Times*. Raines had every managerial advantage and a brilliant strategy, but he "lost the newsroom." He failed to win the hearts and minds of his staff, without which he could not hope to implement his change strategy.

In 2007, Bob Nardelli was dismissed from his position as CEO of Home Depot. He had arrived with impeccable credentials and achieved dazzling financials, but he failed to connect with the shareholders, deal makers, legislators, regulators and nongovernmental organizations who wanted to have a say in how the company was run and on whom the company's continued success depended.

The problem for Raines and Nardelli and so many other brilliant individuals was that reason did not prevail. Raines and Nardelli alienated people, so their reasoned arguments fell on deaf ears.

Yet despite all the evidence pointing to the fact that it is the deeply feeling, emotionally intelligent people who are best equipped to deliver these results, many leaders continue to focus on hiring and promoting people with pedigrees, graduates of the best business colleges, who, talented though they are, do not view human connectivity as relevant to their success. Why? Because nowhere in their education have they been taught to focus on the human side of their subjects.

Good Doctors

In *Blink*, Malcolm Gladwell points to Dr. Wendy Levinson, an international expert in the field of the physician-patient relationship. Dr. Levinson looked at why some doctors who make mistakes that put their patients' lives in jeopardy get sued, and others don't. Dr. Levinson found that patients sued doctors they didn't like and didn't sue doctors they did like, even if the doctors they like made mistakes.

And why do patients like or dislike their doctors? The decision was not rational. Physicians who don't get sued take a little more time — three minutes more than physicians who do get sued. And it was the quality of the physician-patient conversation, *how* the doctors talked with their patients — notice *with*, not *to* their patients — that made the difference. Patients like doctors who really listen, draw their patients out (*tell me more about that*) and answer their questions fully. Those three extra minutes and how they were used were the differentiator. In the blink of three minutes, the patient felt seen, heard, understood, valued and respected. You don't get that in every doctor's office — or in every executive's office.

Book smarts don't guarantee good teachers, good doctors or good leaders, because these aren't cognitive skills. No one's knocking an excellent education from a good school. It's just that this isn't enough. In fact, fewer young people are interested in attaining an MBA, because they recognize that the emerging right-brain economy requires a set of skills and characteristics not taught in most business schools. Many Gen Xers and Yers say they see value in forging more meaningful relationships at work, while struggling to get beyond the usual, superficial agenda they can't quite put their fingers on. These are the people — the ones who are both smart and engaged, who value human connection — who we are choosing for leadership roles today, globally. They understand that, while no single conversation is guaranteed to change the trajectory of a career, a company, a relationship or a life, any single conversation can.

Fierce Practice #3: From Holding People Accountable to Modeling Accountability and Holding People Able

Initially, for most people, the notion of "fierce accountability" sounds frightening, aggressive, full of conflict, smacks of a heavy workload. Yet if you think of fierce in the most positive light, like fierce loyalty, fierce resolve or fierce friendship, you might associate fierce accountability with a bias toward action and passionate commitment to exceptional results, even in the face of obstacles.

Here's the official definition of fierce accountability:

A desire to take responsibility for results; a bias toward solution, action. An attitude; a personal, private non-negotiable choice about how to live one's life.

The question is, given my goals, how will I achieve them? Given the barriers to my progress and the current results on my plate, some of which are troubling, what am I going to do?

Complicated times call for simple answers. Simply put, "if it's to be, it's up to me."

Accountability is not a process or a tool. It's what helps a process or tool become effective. Can you think of a very good structure or process in your company that sings in the hands of some people and weeps in the hands of others? Most processes, procedures or structures are not inherently good or bad. It's who's got their hands on it.

What if, instead of holding others accountable, we held ourselves accountable and others able — able to take charge, take action and effect change? What if, instead of pointing fingers and laying blame, we modeled accountability and inspired others to do the same?

The fact is that no one can mandate accountability for another person. To say "I'm holding you accountable" is pointless. The only person I can hold accountable is myself. Personal accountability is a way of life — and like all fierce practices, it's an inside job. The accountability conversation is one I have with myself and only with myself. But the good news is, it's contagious.

The Fierce Accountability Cycle

Let's look at the steps in the "fierce" practice of modeling accountability and holding others able:

Step 1. Prepare yourself. Taking an accountable stance requires a great deal of courage. We may have to give up being "right."

Step 2. Prepare others. So far you've had a fierce conversation with yourself, which is where accountability begins. Now what about "others" in your life — colleagues, friends, family members — whose results and the results of everyone around them would be greatly improved if they chose personal accountability as a way of life?

Step 3. Do it! Take these steps:

- Identify the issue.
- Clarify the issue.
- Determine current impact.
- Determine future implications.
- Examine personal contribution to the issue.
- Describe the ideal outcome.
- Commit to action.

Step 4. Debrief. Even if you're convinced the conversation went well, check in with the other person to see how he or she felt it went. The conversation wasn't merely a task on your to-do list. There's a lot riding on the outcome.

Step 5. Do it again, only better.

Fierce Practice #4: From Employee Engagement Programs to Actually Engaging Employees

If employees aren't engaged, your company will suffer. Good people quit, defect, disappear or worse, show up every day — in body — but their souls are occupied elsewhere. They become disgruntled, disenchanted, disillusioned. And this affects your bottom line.

Yet despite all that companies are doing to promote employee inclusion and engagement, which go hand in hand, many still see this as merely something that makes people feel good — or at least better — about their jobs. Of course inclusion and engagement make people feel good. They also increase productivity, reduce turnover and build revenue.

Think of it this way: inclusion + engagement = execution muscle … and without execution muscle, you might as well hang it up. Let's define terms.

Employee inclusion suggests that people of every stripe — gender, age, sexual orientation, ethnicity, religion, aspiration, disability, position or title and whatever other differences are possible in the human population — feel that they have a place at the table, that they are seen, heard and valued and that given stellar performance, they have an opportunity to advance; that they do not feel marginalized, "less than," left out, overlooked, invisible, made wrong, taken advantage of, disrespected, ignored or mistreated.

At its heart, inclusion is about membership, belonging to a community, whether a family, a school, a company, a country or the human race.

Employee Engagement

Employee engagement is generally viewed as the degree to which employees view the goals of the company as in line with their own lives so that when they have choices, they will act in a way that furthers their organization's interests and vice versa. In *Getting Engaged: The New Workplace Loyalty*, author Tim Rutledge explains that truly engaged employees are attracted and committed to, inspired and fascinated by, the work that they do.

It's no surprise that "employee engagement" is a key initiative within many companies. After all, engaged workers are more productive, make more money for the company and create loyal customers. They contribute to good working environments where people are happy, ethical and accountable. They stay with an organization longer and are more committed to quality and growth — in fact, engaged employees outperform their unengaged counterparts by 20–28 percentage points.

Yet according to the *Gallup Management Journal*'s semiannual Employee Engagement Index …

- 20 percent of employees are actively engaged in their jobs;
- 54 percent are not engaged; and
- 17 percent are actively disengaged.

If companies are so committed to including and engaging their employees, why these dismal numbers? Because inclusion and engagement can't be feigned, trained or forced. They can't be mandated or taught in some dry management seminar. Because like the other fierce practices, inclusion and engagement start with you.

The Fierce Practice: Include! Engage!

Stop *talking* about inclusion and engagement and start *including and engaging* in every conversation, every meeting. And yes, there is a bit of serious business that will influence the outcome before you walk into a room or open your mouth. That bit would be your intention, your motivation. What do you want and *why* do you want it? We often forget to consider the "why" part, and it's the more important of the two questions.

Fierce Practice #5: From Customer Centricity to Customer Connectivity

"Customer centricity" is one of the most common terms in business today and a key initiative for many companies. In service to this "best practice" — which refers simply to focus on customers — companies invest millions in "CRM" (customer relationship management) initiatives aimed at training "customer facing" employees. There's no question that acquiring and retaining customers is vital to every company, but it's the way companies are going about it that's dead wrong.

Consider the fact that 55 to 75 percent of all CRM and customer centricity initiatives fail to meet objectives. Charles Green, co-author of *The Trusted Advisor*, points out that many companies have the client focus of a vulture — they pay close attention to what the clients are up to, but only in order to figure out the right time to pounce and tear at their flesh. Green suggests that most CRM systems are not really plans to build a relationship at all — they are just a list of features and benefits advertising the wonderful things the company could do for customers.

In short, customers don't want to be treated like customers; they want to be treated like people. That is *real* customer centricity. And in addition to considerable professional expertise, it requires deep listening and the ability to connect as human beings — proven time and time again to win customer loyalty, boost profits and make your company the kind of place where customers like to do business and talented people like to work.

The Fierce Practice: Customer Connectivity

If you want to become a great organization, one that endures and thrives despite economic downturns, fluctuations in the global stock market, climate change and escalating costs of doing business, then gain the capacity to connect with your customers at a deep level, or lower your aim. And this practice starts with *you*; it is the individuals in our organizations who build relationships with customers and consistently win new business one conversation at a time.

Connecting with customers is neither a naïve notion nor a "soft skill." It is an essential skill, one that requires courage, because it involves a fair degree of intimacy, which is initially uncomfortable for many people.

Focus on Individuals, Not Companies

Remember, you are selling to an organization via an individual. Or several individuals. Don't forget that ABC company didn't buy your services, Andy did. Or Susan, Katherine or Chad. So how do you sustain relevant relationships with individuals with the decision-making power in their organizations?

Do all that you can to ensure their success. Work to understand and embrace their agendas. Make their agendas your own. Understand what individuals are trying to do, and personalize your work with them. Be voracious about learning. Sit in on meetings. Understand their competition. Make your interest personal, authentic and passionate. Strap on your helmet and take the field with your customers. Then stay in the game until the whistle blows.

Fierce Practice #6: From Legislated Optimism to Radical Transparency

Legislated optimism is the purview of the one-way leader. When optimism is legislated, meetings produce more nothing than something. Ideas die without a funeral or proper burial. Communication is primarily from the leader to everyone else. The reverse is not valued, not welcomed, because the leader and his inner circle of advisers know best. Always have, always will. And the message is always upbeat. Accurate information is presented with a coat of whitewash and abracadabra laid over it.

In a culture of legislated optimism, leaders know only the sound of one hand clapping. They ask questions not because they want answers, but because they want to hear the *sound* of asking them. In this environment, conclusions are reached at the point when everyone stops thinking, which is often short of brilliant. The leaders have already done the thinking for us and have called it good. No point in telling them what we're actually dealing with every day, since to do so would not be a career-enhancing move.

What Is Radical Transparency?

A post on Wikipedia describes radical transparency as "a management method where nearly all decision-making is carried out publicly. All draft documents, all arguments for and against a proposal, the decisions about the decision-making process itself, and all final decisions, are made publicly and remain publicly archived."

Human connectivity is the key to exponential growth for companies and for individuals, a sustainable, competitive edge. Radical transparency is at the very *center* of our increasingly hyperconnected world. In fact, it is already a trend. If you're not moving toward open-source thinking and full disclosure, please note that this particular train has left the station. But if you run, you can still jump on.

Virtual Reality

To truly understand our own leadership potential is to truly understand ourselves — capital R reality. It's about taking ownership of our results and making choices with clear intentions. We can learn the skills and the tools, but true leadership is about learning to maintain a state of being that is both authentic and powerful.

Leaders are ineffectual if they fail to move quickly and honestly to their own inward essential character.

Conclusion: Crossing the Bold Line

One of the greatest challenges we all face is understanding and embracing our own leadership potential. Even the most highly paid executives struggle with internal questions about their personal effectiveness as leaders. This is normal. Our results, attitudes, beliefs, prejudices, fears, hopes, glories and broken places have led us all to practices that others celebrate or question, that *we ourselves* celebrate or question.

At the same time, we are all leaders in some capacity or another. It doesn't matter if we have the title or not. But there is a profound difference between having the title and being the kind of leader to whom people are drawn and to whom people commit at a deep level. The former are just leaders, while the latter are fierce leaders. These are the leaders others look to for advice and opinion and gratefully follow wherever they go. These are the leaders who engage others whenever they are present. Call them natural leaders, if you will.

Courage

Fierce leaders aren't born that way; crossing the bold line between leadership and "fierce" leadership takes courage and work. It requires that you hone your faith in others and in yourself. Not blind faith, but rather the faith that comes from paying attention, being present. Crossing the line requires that you screw your courage to the sticking place and summon all your skill; reach, in fact, for skills you don't yet have.

Replacing worst "best" practices with fierce practices is challenging, and that's the point. *And, so wha*t? You cannot differentiate yourself or your company by taking the well-worn, familiar path.

Mythology expert and writer Joseph Campbell explained that the "hero" is heroic because at some point he steps off the path that everyone else is on and heads into the woods where there is *no* path and no indication of help. But he does it anyway. It's the first step into the woods that is the heroic moment. And then everything changes. Help appears that is exactly what he needs, when he needs it. It is there for him alone.

What is the path you have to step off of?

Make Connections

It is not enough to be a leader. This world is full of leaders who cause us to wonder how in the world they achieved that position.

We've got to make connections — at a deep level. Create them, every day, on purpose. Make more and more of them. Connect the people in our homes and businesses and cities and countries, so that we and our children and our colleagues and customers breathe connection in and out like oxygen. Souls rising. Resulting ultimately in that elusive concept we call peace on earth.

Love is a practice too. Give it a try. When outside influences are challenging, allow your quiet heart to lead you.

RECOMMENDED READING LIST

If you liked *Fierce Leadership*, you'll also like:

1. ***The Truth About Leadership* by James Kouzes and Barry Z. Posner.** Kouzes and Posner share 10 time-tested fundamental truths about leadership and becoming an effective leader.
2. ***Open Leadership* by Charlene Li.** Li (the coauthor of the bestseller *Groundswell*) offers the next-step resource that shows leaders how to be "open" while maintaining control.
3. ***Leading Outside the Lines* by Jon R. Katzenbach and Zia Khan.** Katzenbach and Khan examine how two distinct factions, the formal organization and the informal social networks, together form the bigger picture of how organizations actually work.

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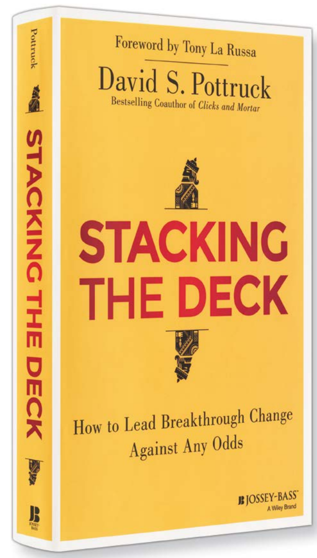
Leadership

Stacking the Deck

How to Lead Breakthrough Change Against Any Odds



by David S. Pottruck

THE SUMMARY IN BRIEF

Change is a constant, and leaders must do more than keep up — they must innovate and accelerate to succeed. Yet people are often unnerved by change. As a leader during a time of transformation, you may stand up before teams that are indifferent, or even hostile, and need to convince them that change is necessary and urgent. What does it take to be an effective change leader and increase the odds of success?

Stacking the Deck presents a nine-step course of action leaders can follow from the first realization that change is needed through all the steps of implementation, including assembling the right team of close advisors and getting the word out to the wider group. Based on Dave Pottruck's experiences leading change as CEO of Charles Schwab and later as chairman of CorpU and HighTower Advisors, these steps provide a guide to ensure that your change initiative and your team have the best possible shot at success.

Leading an organization through major change — whether it's the introduction of a new product, an expansion to a new territory or a difficult downsizing — is not for the faint of heart. While success is never guaranteed, the right leadership, process, and team make all the difference. For all leaders facing major change in their organizations, *Stacking the Deck* is an indispensable resource for putting the odds in your favor.

IN THIS SUMMARY, YOU WILL LEARN:

- The nine crucial steps for creating breakthrough change in your organization.
- How to anticipate known and unknown barriers.
- How to think about the big picture and the nuts and bolts, from passion and vision, to building a plan and partitioning projects.

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THE COMPLETE SUMMARY: **STACKING THE DECK**

by David S. Pottruck

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Introduction

Breakthrough change refers to those disruptive initiatives that dramatically, profoundly affect the organization and the people in it. It redefines the prospects for the future and interrupts the organization's cautious momentum plan with incremental improvement. One reality of business that seasoned executives know well — often by learning it the hard way — is that introducing and implementing breakthrough change is an uphill battle.

Most organizations' processes and culture are structured for predictability, reliability, control and risk minimization. Breakthrough change is the polar opposite. It is unpredictable and favors responsiveness to new realities over control and staying the course. Breakthrough change is inherently risky and goes against every instinct the leaders of the company have developed over the course of their careers. Is it any wonder, then, that employees often resist breakthrough change — even in companies whose leaders say it's exactly what they need?

Leaders must find ways to help people see the need for change and then inspire them to move toward it with confidence and urgency. The nine-step Stacking the Deck process is designed to mitigate the risks that come with change by having you take concrete steps to increase your chances of success. This preparation does not make the change less bold — and it doesn't guarantee success. What it does do is create an advantage (or more accurately, a series of advantages).

You may know the phrase "stacking the deck" to mean preparing a deck of playing cards so that you will almost certainly win the game rather than rely on chance. The Stacking the Deck process is not designed to cheat other players. It implies instead that thinking through and preparing for all the steps and processes we will need to undertake vastly increases our chances of success. Together these nine steps represent a plan of action that will take you from the first realization that a change needs to be made through a complete shift in the way you implement this change.

Breakthrough change never, ever stops while the world progresses. Competition, the marketplace and technological advances make it necessary to keep growing and changing. Each of the nine steps will guide you along the way to breakthrough change.

Step One: Establishing the Need to Change and a Sense of Urgency

No matter how well leaders understand the need for change, the challenges they must face in leading breakthrough change will be enormous. We can't deny that change is part of life. Yet in life and in business, some people embrace change and others actively avoid it.

Link the Purpose and Mission

In leading breakthrough change, we must first convince others — those to whom we report and those on our team — that our proposed change has a positive, necessary and urgent purpose. First with the team and later with the larger organization, you've got to help people believe that the change facing them is actually progress. You will be most successful when you tie the change to the company's mission and show how the change will help achieve it.

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Rebecca S. Clement, Publisher; **Sarah T. Dayton**, Editor in Chief; **Ashleigh Imus**, Senior Editor; **Amanda Langen**, Graphic Designer; **A. Imus** Contributing Editor

When employees believe in a mission, they get excited and passionate about contributing to the company's goals. Thus, connecting a breakthrough change to the company mission and explaining how it contributes to the mission can help employees see and appreciate why a change may be necessary — even critical — to the company's future success.

Whatever the purpose of the change you are proposing, convincing others of its need requires effort; and it's almost always much more effort than you expect. Even if the need seems logical and inescapable to you, others won't necessarily recognize that at first. People who are afraid do not behave logically, and they don't respond to logical appeals. How can we smooth the way?

First of all, repetition is important. It's not enough just to announce a change and call it a day. You must give your employees the information again and again and use a variety of methods. Tell them in person, tell them in writing, and tell them via e-mail. Tell them one-on-one and tell them in big groups. It's very likely that not everyone will have heard you correctly the first time.

Underscore the Urgency

Before you decide to convince anyone else about the change you are proposing, you have to satisfy yourself that change is not just necessary; it's necessary sooner rather than later. You have to invest in the change and commit to it with your time, your energy and your budget. Be sure that you've considered these issues and that you've honestly pondered and answered the following questions:

- Have I evaluated the numbers for different scenarios?
- Do they look good?
- Do I truly believe in the purpose behind the change?
- Am I fully convinced of the urgency of the change itself?
- Can I demonstrate that this change is worthwhile and imperative?
- Do we really have to do it right now?
- What will occur if we postpone it?

If what you're proposing is big and bold and strategic, chances are that you will encounter people at all levels of the organization who think it may be easier to do it later. These people may voice their objections by saying, "Let's think about this some more" or "Let's be patient." You might also hear, "Shouldn't we get some more data?" Overcoming resistance and maintaining momentum require constant effort.

Step Two: Assembling and Unifying Your Team

No matter how compelling the need and how strong your passion for making the change, achieving and sustaining breakthrough change will require much more than just your passion. Leaders must rely on a well-balanced leadership team. It's your job to actively develop and unify a group that will guide the organization in making your change a reality. You are looking for pioneers, for people who are comfortable with a greater degree of risk than the average person.

When you are creating your leadership team and looking for people to help you make this change happen, consider four key elements: skill, experience, enthusiasm and team fit. The surprising truth is that enthusiasm and team fit may be the most challenging elements to locate. You need people who are willing to enter unmapped terrain. These pioneers will guide your larger team, usher your change into reality and serve as ambassadors to the rest of the organization.

Attitude is critical, but it's not sufficient. Leaders must find people with the relevant experience, and very often — particularly with breakthrough change — that means going outside to recruit the key talent that's needed.

Take Steps to Unify the Team

Even with the right people, you have to unify the team and manage your people in the right way. More than the plans you develop or the financial resources at your disposal, it's your people and the way you lead them that will make the difference. Ask your team to give you the answers to the following questions on a periodic basis:

- What do I do particularly well that I should do more of and build on?
- What do I do poorly that is hurting the team and needs my attention and commitment to change?
- How could I do better? What actions would help me improve and improve our team performance?
- What do I spend my time on that I need to do more of?
- What do I spend time and energy on that I need to do less of, delegate to someone else, or stop altogether?
- How else could I improve my performance and that of our team?

Your team needs to know that you'll treat their answers as constructive and strictly anonymous. With that understanding, they may deliver up some surprising answers. Be sure to have a session with the team in which you review the feedback and let them know what you plan to do to respond to their suggestions.

Building Trust

Absence of trust is the source of a lot of team dysfunction, and establishing trust must start when a team is first formed. In fact, this is how you begin to build a high-functioning team. Getting people together and encouraging them to talk about themselves can in fact be a great trust builder — when done well.

It's important to shape and drive these situations to make sure that the stories actually bring people together rather than create walls between them. Since not every executive has the skills to lead such a discussion, investing in an experienced facilitator can be very worthwhile.

Step Three: Developing and Communicating a Clear and Compelling Vision of the Future

Once you have your leadership team in place, you and your team need to be ready to envision and communicate the future in such a vivid and irresistible way that everyone around you understands your vision and shares your passion for it.

In the earlier step, we were simply attempting to convince others that the status quo is unacceptable and the way we are doing things today no longer works; we need to do something different as we move into the future. In Step Three, we develop and present a very specific idea of what that "something different" is. In most cases, this means comparing the present to a future that is very different.

Whether you are starting anew or bringing change to an existing organization, you must give people a clear — and strongly compelling — vision of the future: where the organization is going and their role in the new future. Momentum is critical in the early steps of breakthrough change.

There were two recurring themes in all of the interviews I conducted:

- The critical need to communicate a compelling vision of the future;
- The critical need to communicate that message over and over.

Leaders need to spread the message to different groups and at multiple times to the same group, in different ways and in various situations. The ability to lead change rests on the leader's character and skills as a communicator. Developing yourself in these areas is an immersive process, as deep as it is rewarding. It is vital to each of the Stacking the Deck steps and transcends all of them. Developing your communication skills should be at the top of your list.

In a sense, communicating the vision behind the breakthrough change effort is never over; it's something you must repeat and constantly reinforce. To do this well requires passion, patience and understanding.

Step Four: Planning Ahead for Known and Unknown Barriers

The fourth step in the Stacking the Deck process is all about anticipating problems as you are planning, and confronting these problems before they derail your efforts.

Unfortunately, you cannot anticipate all problems. In general, however, the early or initial difficulties you will encounter when introducing breakthrough change fall into four broad categories. So many great change initiatives are given up for lost or destroyed because of these difficulties that I refer to them as the "Bermuda Quadrangle."

Mapping the Bermuda Quadrangle

Be aware and on the lookout for these issues as you plan and then execute the changes you propose:

People Resist Change: What will people resist? What will they embrace? What can you do to allay their fears about the change? The brevity of these questions is deceiving. They are difficult questions that must be addressed early and with an open mind.

Skills Are Missing: Recognize that a great attitude is required but is not sufficient. Part of your advance planning, therefore, must be a careful assessment of what skills will be needed, how they can be developed in-house, and where you can find them outside. You'll have to find ways to get people to adapt, or else actively recruit new people. Most likely you'll do both.

Processes Are Rigid: If you are proposing a change to established processes and procedures, you may be up against years of institutional habits and mindsets. You'll need to determine where the company is set in its ways and decide what it will take to change those procedures and mindsets.

Company Culture Is Unyielding: You need to think about the breakthrough changes you're proposing in the context of the entire enterprise. Does this change fit in with the values of the existing corporate culture? If it does, how can you best make that connection clear?

Planning for the Unexpected

The way to prepare for the unexpected is to explicitly talk it out, and not just inside your head. Gather executives, responsible business partners and any other people whose involvement is critical to the change you propose, and ask them all to think seriously about how the change might be received within the organization, outside of the organization and what could go wrong.

Examine potential resistance: Take the time to explore and think about the risks and the uncertainties ahead and do so in detail so that you can eventually manage them proactively and create comprehensive ways to defuse these issues. While you may not be able to predict with certainty exactly what will happen, you can make a reasonable estimate of the odds of success versus the odds of the project going wrong.

Outside experts can sharpen the focus: Using outsiders can help you better anticipate the barriers you will face or even see the opportunities that are already in front of you. Outside consultants play a huge role in the success of breakthrough change. They are valuable repositories of new experiences, new wisdom and challenging perspectives — including the critical perspective that can debunk corporate mythologies.

Step Five: Creating a Workable Plan

Now you need to translate the inspiring vision of the future that you and your team have developed into a workable, real-world plan.

Making Assessments: From the Present to the Future

Starting anew and long-term planning have certain parallels: the need to assess where you are, where you want to be and how to get there. These assessments are vital to leading breakthrough change, whether you are starting from scratch, reshaping an aspect of the business, entering a new market or looking to expand your reach.

Initial assessment: where we are. Virtually all plans start with a thorough assessment of "where we are" (WWA). This assessment should take into account not just operations and processes but all other factors that contribute to a company or organization's position in the marketplace. You want to look at factors such as competitive position, customer satisfaction and quality of output, productivity and efficiency, human resource considerations and more.

Assessment for breakthrough change: where we want to be. Truly breakthrough change is a chance to substantially redefine the future to be something very new and different, perhaps a competitive leap forward. What will success look like in this new situation? How will we measure that success? Be sure that you and your people are imagining the most timely, highest-potential breakthrough. What you don't want is for people to picture just more of the same, only faster. You want to think imaginatively, envisioning a different future.

Assessment for action: how do we get there? Rather than painting a big, sweeping picture of the future, we must now define that future as a set of specific goals, deliverables and metrics, because now we are creating the actual plan. When you can fully answer the "how," breaking it down in terms of partitioning, metrics, people, and pilots (Steps Six through Nine), then you will have developed a meaningful plan of action.

Planning Components

Like many other business plans, the plan for a breakthrough change has the following key components: goals and deliverables, tasks, deadlines, capital and other resources, people.

Goals and deliverables: In contrast to planning an incremental change, you don't know exactly what the outcome will be at the beginning of a breakthrough change initiative. If, however, you are using the Stacking the Deck process, you will have a reasonably good idea. You should have a clear need to change and a compelling vision of the future. But that isn't the same as a specific set of executable goals you can move toward. By dividing your overall goal into smaller, step-by-step goals, you will have a series of checkpoints that you can use to determine if you are on track. When you subdivide a single, giant goal into smaller targets, you allow for more control and momentum building.

Tasks: Once you have the broad strokes of a plan, you must lay out the tasks you need to accomplish. This part of the planning process remains the same for most project and operational plans, whether the change is incremental or breakthrough.

Deadlines: You must be constantly reinforcing the importance of critical deadlines as they relate to key deliverables. There are often many moving parts in breakthrough initiatives and they are often interrelated. Pause or remove one, and everything grinds to a halt. Combat delay the same way leaders approach other problems: anticipate, anticipate, anticipate.

Capital and other resources: There's likely to be a series of economic and institutional limits on those resources. As a result, the budgets typically awarded for these projects seem much tighter to those who are responsible for the actual outcomes. You need to negotiate from a place of strength and knowledge to secure the best possible framework for your change initiative.

People: People go hand in hand with more physical resources. Often the only way to combat a shortage of funds or labor is with an excess of passion. This goes back to finding your pioneers and getting them on board quickly. You need people who are committed, excited, and willing to put in the extra time and effort.

Step Six: Partitioning the Project and Building Momentum With Early Wins

Leading breakthrough change often means working toward an end that seems distant and out of focus. If your people can't visualize the future in real terms, they'll find it difficult to muster the urgency to undertake the journey. You therefore need ways to make the immediate steps clear and to help people — particularly those who may not have been involved in developing the vision but who will be crucial to its realization — see the path to the future in real, concrete terms.

Planning for Interim Successes

One of the best ways to preserve the enthusiasm that you have generated early on is to divide a major breakthrough change initiative into smaller phases, having shorter and intermediate-term goals with specific, clearly defined benefits. Ideally, each of these smaller goals will take less than twelve months, preferably six months or less. They provide a series of checkpoints where you can celebrate interim successes on the road to a completed change.

Planning for interim successes has multiple benefits. By delving into the details of a phased approach, you can uncover issues well before they turn into problems. Breaking a change initiative into a phased approach improves the quality of planning and, in the long term, can also make you a better, more detailed planner. It also enables you to show results and increase support for the initiative.

Build in Celebrations

"Celebrate" is another key word for the team and the overall plan. It does no one any good to let a success, including a small interim success, slide under the radar unnoticed. Without a sense of accomplishment and achievement within the team, burnout can become a problem. Acknowledging and celebrating small, staggered successes boosts morale and helps with team retention. From both a career and psychological perspective, people need to be seen to have accomplishments. Further, each celebration can reinforce the overall goal. Particularly if that goal is far on the horizon, you should create small celebrations in all phases of the initiative.

Breakthrough change is often about a new way of doing business, a new distribution channel, a new product, a new position in the market. As you develop your plan, carefully consider which interim steps you will focus on first. How will you capture what you've learned from those steps and celebrate the interim successes? How will you increase and maintain momentum ? How will you fund it all?

Step Seven: Defining Metrics, Developing Analytics and Communicating Results

To define success for your initiative you need to focus on measurable outcomes. People need to see the end result with such clarity that they can act on their own.

There's a strong desire in business to measure everything with one simple question: how much money are we making right now? But when we are making a breakthrough change, the end goal of enhanced profitability could be a long time in coming. There are always other more immediate factors we can track that will lead to profit improvement down the road. And when that road is long and uncharted, as it often is with breakthrough change, it's particularly important to measure the interim steps and goals along the way.

Measuring Progress and Success: Big Data, Metrics and Analytics

Leaders and high-level executives who are responsible for funding a given project want concrete, measurable indicators that tell them how a change is going. Historically, the usual word attached to these kinds of indicators has been "metrics."

The possibilities big data offers seem phenomenal; the opportunities to analyze enormous amounts of data in real time, very enticing. But even as capabilities evolve, it's clear that given the changes brought by big data, the traditional terms of metrics simply don't go far enough. Instead, we need to think in terms of analytics as we strive to use the newly available data most effectively. How do we best make use of the data and monitor the indicators? There are two major types of indicators — leading and lagging — each with different implications for your breakthrough change initiative.

Leading indicators: As the name implies, leading indicators are harbingers or evidence of success or failure that appear before any of the others. It's a common misconception that market share and profitability are leading indicators. In fact, it's more likely that we are hoping these will dramatically accelerate toward the end of the project; they rarely do so at the beginning.

Here are some leading indicators you might consider measuring:

- Measures of customer engagement such as customer calls or log-ins, click-throughs to deeper parts of your website, visits to physical locations, and purchases of various merchandise lines or products.
- Measures of employee engagement, attitude and turnover.
- Trend lines revealing how key indicators move over time periods.
- Customer loyalty as measured by online recommendations, endorsements, referral programs, or by the Net Promoter Score.
- Sales numbers, units, dollars, average price, product mix.
- Public relations as measured by number of positive mentions and numbers of headline stories, product reviews, or articles about your product or initiative, as well as social media mentions in tweets, retweets, and the like.
- Customer complaints, by type and number.
- Any customer attrition you may experience.

Lagging indicators: Lagging indicators are the big and important measures of success — such as reduced costs or improved market share, competitive position, pricing power, profit dollars, and profit margins — that we are working toward. Everyone wants to see positive lagging indicators and, typically, the sooner the better. But the results reflected in lagging indicators take time, sometimes years, to emerge. They are almost always foreshadowed by positive trends with leading indicators.

How do we help our people through that long period before the lagging indicators move ? We have to power through. And that is helped enormously with analytics and measurements: the more precise and granular, the better. We want monthly, weekly, and even daily measurements. We want to see every emerging trend, and every reporting period counts.

From leading and lagging indicators to big data to various types of analyses, the available information is nonstop. You need to determine what's most important among competing issues and direct your attention there.

Step Eight: Assessing, Recruiting and Empowering the Team

This builds on the work you did in Step Two. At this point, you might want to revisit and repeat some of those initial team-building actions, for at least two reasons. First, it may be time to further strengthen the leadership team for the long haul. And second, as the focus shifts to bringing together the entire team, you need to attend to the broader team that will ultimately do all the heavy lifting to bring the change initiative to fruition. This means assessing skills, namely, skills that already exist within the organization, additional skills you will need to develop and skills you will need to bring in. It also means recruiting for talent, fit and balance and empowering the larger team to succeed.

Search for Talent, Skills and Fit

You know that you're looking for people with precise skills, talent, and experience for your dream team. Now, where will you find those people?

Inside your organization: You will first want to look inside the organization to use the skills of the people you already know and trust, people who deeply understand the organization's mission and the importance of the breakthrough change. Being able to rely on people who are already part of the culture can be a tremendous boost. But if you've come to realize that even your best people are not right for the job, how do you go about finding the right people?

Becoming a magnet for talent: Ideally you want to be able to draw on an ever-expanding pool of talented people, both inside and outside your organization. Whether building a network comes easily to you or is a skill you need to work on, the sooner you start, the better. Consider the people you meet at a conference, people who have worked with you before, even people who have recently been part of high-profile change projects elsewhere. Keep tabs on these individuals and cultivate professional relationships with them. Stay in touch and take a personal interest, perhaps even offer to act as a mentor. The odds are good that you will both benefit.

Unify and Empower the Larger Team

The benefits of a strong team are worth it. And with the right team, creativity in the face of a crisis can work wonders.

Ginger Graham has run several businesses that focus on innovation and new product development and speed. She explained that at one point the medical device company she was then with, Advanced Cardiovascular Systems, was "woefully behind in stenting technology and losing market share in the core business because of it. We invited something close to 50 employees into a room for several days with a professional facilitator to map out how we had been developing products. Then we asked them to brainstorm and work together to answer the question, 'If you could change it all, if you could fix all the things that you believe the company has been doing wrong, what would that future development process look like?'"

The group immediately set to work and redefined product development in the company. They defined a new way of developing products that would be "faster, leaner, more efficient, more focused — and that would allow us to catch up and win in the marketplace." In fact, the process worked so well that the company "went from 1 percent to more than 75 percent market share on one product launch in a major category in stenting, when stents were still relatively new in this country."

Step Nine: Testing with Pilots to Increase Success

Defining a precise set of rules about how to roll out your next breakthrough initiative is impossible: the potential projects are simply too diverse. Nevertheless, appropriate and careful use of pilot projects is a consistent thread in successful rollouts; pilots can dramatically enhance your prospects for success.

Traditional proof of concept pilots rest on a belief that it makes the most sense to test a new idea on a representative sample of your customers and your employees. The goal here is to create a slice of life and then see how your idea performs in this micro but representative version of the real world.

Unfortunately, when a traditional pilot to test the feasibility of a project shows initial success, leaders all too often rush to roll it out on a large scale.

I recommend adding an even earlier, smaller pilot, which is designed in every way to succeed. I call this a stacked proof of concept pilot because it gives the advantages of stacking the deck to a proof of concept pilot. Instead of a wide range of geographical locations, you select the best possible location, where people (potential customers and staff alike) will be most receptive to the change you're proposing. Instead of addressing average customers, you target your ideal customer base, those segments most likely to respond positively. And instead of a cross section of managers and employees, you handpick your best and your brightest to work on the stacked proof of concept pilot. You're looking for those people who are drawn to and thrive on change.

If it fails, you are forced to concede that since your idea can't succeed here, it probably can't succeed anywhere, and needs to be fundamentally reconsidered. In forming the pilot team and framing the project, you are trying to remove all possible implementation issues, individual motivation issues, employee pushback issues. All that is left is a single question: can this idea work? The stacked proof of concept pilot gives you the opportunity to test that question on its own.

In the right hands, and with the right mind-set, the Stacking the Deck steps can create a more productive and more readily navigated path to breakthrough change. The process itself is less about what to think than about how to think. It's about learning to anticipate and to analyze logically and carefully; thinking creatively and embracing possibilities; learning what to prioritize, where to concentrate energy, and how to move forward while bringing others along with you.

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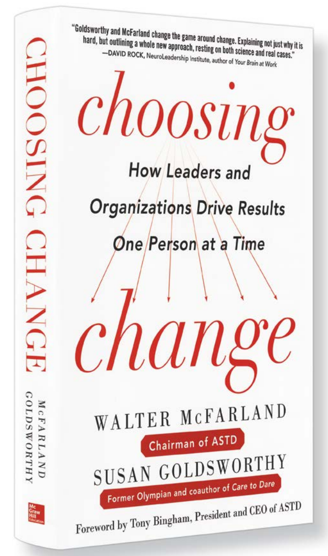
Leadership

Choosing Change

How Leaders and Organizations Drive Results One Person at a Time



by Walter McFarland and Susan Goldsworthy

THE SUMMARY IN BRIEF

If there's one certainty in business today, it's this: Change is coming your way. You have no choice in the matter. The choice you do have is either to embrace it or bury your head in the sand.

In *Choosing Change*, ASTD Chairman Walter McFarland and leadership executive coach Susan Goldsworthy offer a proven new model for not just facing inevitable change but leveraging it as a tool for long-term success. The first step is personal: You must decide that you are going to change; only then can you lead change. From there, the authors present the tactics and strategies you need to compete today.

Organized into two thematic sections, *Choosing Change* takes you step-by-step through the authors' dynamic model for leading any company to success. Part I explains how to apply the newest research findings in psychology, neuroscience and executive development to implement change in yourself. Part II focuses on organizational theory, management and organizational learning, showing you how to integrate change into your organizational DNA.

If you want to survive and flourish in today's business world, you must be prepared to adapt to changing marketplace circumstances. Sudden changes in markets, society and the economy have ruined industry-leading companies overnight — because they weren't change-focused.

Don't be one of them. Lead yourself and your organization to the top — and stay there — by *Choosing Change*.

IN THIS SUMMARY, YOU WILL LEARN:

- The Five Ds of the successful change process: Disruption, Desire, Discipline, Determination and Development.
- How to apply key findings from the field of neuroscience to maximize the success of any revolutionary change effort.
- How to implement a successful revolutionary change in yourself and in your organization.

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THE COMPLETE SUMMARY: **CHOOSING CHANGE**

by Walter McFarland and Susan Goldsworthy

The authors: Susan Goldsworthy is an international executive coach, award-winning author and former Olympic finalist with extensive global business experience. She coaches and speaks internationally on the topics of executive development, leadership and change. Walter McFarland is a consulting executive focused on the leadership of large-scale organizational change, and he is the 2013 Chairman of the American Society for Training and Development. He is a former Senior Vice President at Booz Allen Hamilton.

Adapted by arrangement with McGraw-Hill Global Education Holdings, LLC, from *Choosing Change: How Leaders and Organizations Drive Results One Person at a Time* by Walter McFarland and Susan Goldsworthy. Copyright © 2014 by Susan Goldsworthy and Walter McFarland. 272 pages, $30.00, ISBN 978-0-07-181624-3.To purchase this book go to www.amazon.com or www.bn.com.

Introduction: The Choice of Choosing Change

Change is a natural part of life, so why is change so hard for people and organizations? We believe the reason lies in the fundamental approach to change taken by both individuals and organizations. In today's business world, change readiness occurs only at the moment of revolutionary change, when the threat is great and the fear is building.

We propose a different model — one that sees change as part of daily practice. And it starts with you. Why? If you want to lead others to change, you need to first be open to change yourself. So the change we're discussing is triggered by the leadership of oneself *and* an organization; it leads to putting new approaches and processes in place to achieve a goal, or growth of some sort, that has consequences and implications for everyone involved.

We use a framework called the Five Ds to compare the key elements to be aware of during both individual and organizational change.

- **Disruption:** This relates to an event or experience that triggers a conscious choice to change. The disruption creates an awareness of something that might require attention and creates a case for change.
- **Desire:** What exactly does the person or organization want to achieve; does it believe in the possibility, and how serious is it about making the change happen?
- **Discipline:** Applying those small, consistent and frequent steps required to build the momentum that delivers sustainable change. Discipline is essential in order to manage the many demands of life and to keep pressure on the processes of change.
- **Determination:** Having the resilience to focus and deliver even when faced with setbacks. Determination is a necessary requirement because any major program of change will create resistance and will have setbacks.
- **Development:** Continuous improvement, feedback and ongoing learning for the individual and for the organization.

Neuroscience and Change

An important part of implementing change is understanding how your brain works. The brain is focused on survival. For most of human history, the brain saw survival as *physical* survival — life and death. Recent research indicates that in modern times, the brain also sees survival as *social* survival.

From long experience, the brain has learned that even minor changes in the environment can mean the difference between life and death. For this reason, the brain views environmental changes with profound suspicion. Change often triggers responses in the brain similar to those triggered by physical pain.

The brain has evolved specialized systems to quickly detect and react to changes in its environment. Key ones include

- **Working memory:** This is the brain's initial holding area for new perceptions and ideas, and is associated

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Rebecca S. Clement, Publisher; **Sarah T. Dayton**, Editor in Chief; **Ashleigh Imus**, Senior Editor; **Amanda Langen**, Graphic Designer; **Corbin Collins**, Contributing Editor

with the prefrontal cortex. The challenge is that working memory is quite limited — we can't process very much information at any one time. Because change efforts require a greater use of working memory, they can overwhelm it, causing physical discomfort and reducing the brain's capacity for learning, creativity and adaptability.

- **Long-term memory:** This is held in the brain's basal ganglia, which doesn't tire like the prefrontal cortex. We use this region for physical habits and activities we can do without thinking. Change requires the difficult work of changing habits — something the basal ganglia actively resist.
- **Error detection:** The brain's focus on survival causes it to continuously scan the environment (up to five times per second) for "errors"— unexpected changes in the environment. Change efforts can generate error signals, which can trigger a fear response.
- **Fear response:** This is the brain's fight, flight or freeze reaction to perceived danger. Once triggered, it is the most extreme resistance to change possible.

Change efforts can threaten multiple systems in the brain (many of which are not conscious), eliciting behaviors to avoid and/or actively resist the change effort. This is why it is vital to apply knowledge of how our brains work in focusing on change at both the individual and organizational levels.

Part I: The Change-Focused Leader

Disruption: What Conscious Choice Will You Make?

Before we choose to initiate a change, our thinking needs to be disrupted in some way, usually by an external event. The essence of a disruption that enables change lies in asking yourself the question, "Can I afford to ignore this?" Controlled change requires a conscious choice triggered by an external event that gains your attention; one that makes you reflect, stop and think; one that disrupts your normal course of thinking or action.

Brain research shows that for every move you make, you have 0.2 seconds in which you can actively, consciously intervene in the process and choose a different response. But it takes considerable energy and attention to leverage that 0.2-second choice point. If you do not have an awareness of your choice point, your habitual response will play out like a prerecorded program. So, it becomes vital for you to catch yourself in the process of making a habitual response so that you can exercise your choice point.

Habits have a three-step loop: cue, routine and reward. The cue is the trigger that tells the brain to go into automatic mode and follow a particular habit. The routine can be physical, mental or emotional. The reward helps your brain work out whether the routine is worth remembering in the future. Unless you deliberately fight a habit or replace it by finding new routines, the pattern will unfold automatically.

You must become attuned to how you are feeling and how your body is responding. Catch your cues — notice them and write them down. The more aware you can become, the more you are able to exercise your choice point at the opportune moment, and the more you are then able to change your behavior.

Desire: What Do You Really Want to Change?

Desire is the bridge between your dream and your reality. After disruption has occurred — whether it is a crisis moment in your personal life or your professional performance — you may experience an awareness that perhaps you could do something differently. The disruption shakes you, but you still have the ability to retreat back into the safety of a comfort zone. This is why the second step, desire, is so important. The essence of the desire for change lies in asking yourself, "Do I really want to apply the focus necessary to make a change or not?" If the desire is not there, then any energy expended is likely to be a waste of time.

To adapt to and drive your role in making your desired change, you need to see the difference between a "wish," which indicates a certain lack of empowerment or engagement with the goal, and a "want," which is driven by a deep consciousness of your needs and goals. A want more closely aligns your head with the desires of your heart in a way that resonates with you. The desire then translates into a belief that its achievement is possible.

Understanding Your Beliefs

Your identification of your wants — the sustainable goals that will carry you through a major change initiative — can be strengthened by doing an inventory of the beliefs you have about yourself. Consider the following questions:

- **Core belief:** If all else failed and you lost everything that is dear to you, what one truth do you believe to be true about yourself?

- **Secure bases:** Who are the people who can both support and challenge you and who have your best interests at heart? How are you engaging your secure bases in pursuing your goal?
- **Empowering beliefs:** What are your strengths — the things you know you are good at?
- **Limiting beliefs:** What are the negative things you believe about yourself — the things embodied in your critical self-talk?
- **Personal statement:** Write a sentence in the present tense about the person you want to be when you've achieved your goal.
- **Vision:** What is your desire, your goal? And what are the key actions and timelines associated with it?

Taming Your Inner Critic

To complete the process of defining and owning your desire for change, you'll need to confront your inner critic, that mental voice that raises doubts about your ability to achieve your goal by reminding you how you have failed in the past or how unlikely it is that you will succeed.

Identifying the voice of your inner critic, naming the emotion, and then separating and isolating the thought that comes from the critic is a way of managing negative thinking. By labeling your negative emotions in a few words, ideally using symbolic language, you can actually reduce the intensity of those emotions.

Using visualization is another way to tame your inner critic. Visualization is the process of creating a mental picture of what you want to achieve. It works best when you use as many of the senses as possible. The more you repeat it, the more you can train your mind and body to perform in the way you have imagined.

Your Goals Need STAMINA

To increase your chances of success, it is important that you frame your desire and make sure that your goal has STAMINA — that is, specific, time-stamped, achievable, measurable, inspiring, narratable and actionable. Your goal needs to be specific and as descriptive and detailed as possible. You need to be clear about the time frame within which you want to achieve the goal. It must be achievable — it can certainly be a stretch goal, but it should also be feasible. You need to make it measurable, meaning that you know the stages and milestones along the way. It has to be inspiring; it is important that you gain energy just by thinking about your goal. Make it narratable: What is the story that you can tell yourself and others in relation to the goal? It must be actionable. Ask yourself every day, "What can I do today to work on my goal?"

Discipline: What Are Your Small Steps to Big Success?

Our desire may be clear, but applying the necessary discipline takes energy, focus and considerable effort. Many of us start an initiative but stop when we find it too difficult to sustain the effort. Discipline involves habitual behavior, developing willpower, looking after your mind and body, and practicing mindfulness.

When change is involved, the essence of discipline lies in asking yourself the question, "What can I commit to do on a daily basis to achieve my goals?"

Taking Small Steps to Success

Learning the discipline required to make change work for you is first about taking small steps. Every day, you have the opportunity to do something that brings you closer to your goal. These small steps build day after day, week after week, month after month, until they become habits. Developing momentum is a critical aspect of successful change at both the individual and the organizational levels. Every small win that you achieve builds up your confidence that greater goals are reachable.

If you train yourself to implement different routines, you will see a gradual and sustained change result. When you repeat something over and over, you can potentially replace an old habit with a new one. The more you can create rituals that make your actions into routines, the greater your chance of success. Turn those things that you do every, day no matter what, into nonnegotiable actions.

The Discipline of a Healthy Body and a Healthy Mind

Diet, exercise and sleep are the three key practices that deliver immediate improvement in the performance of your brain, thereby helping you to have more discipline during any type of change. To perform at your best, you need to be disciplined in these three basic areas.

Leaders who wish to develop in the area of discipline and in other areas linked to self-awareness are strongly encouraged to consider mindfulness. Mindfulness is defined as awareness of one's present thoughts, emotions and actions. "Here and now" awareness contributes to mindfulness by liberating mental energy and allowing you to pay heed to your immediate experience in the moment when it happens. Mindfulness is a proven way of reducing stress and providing significant benefits.

Determination: How Can You Embrace the Setbacks?

Setbacks will happen, and when they do, you need to have *determination*, defined as "firmness of purpose; resoluteness." The essence of determination lies in asking yourself, "How will I deal with setbacks and failure?" Rejection is part of the game — you need to view it as feedback and learn not to take it personally.

Resilience, the ability to recover quickly from change or misfortune, is an essential ingredient of determination. It is about accepting the reality, learning from it, and moving on from the setback. Working to improve your own resilience involves gaining awareness of where you are today, intervening in your daily routines and habits to make a change, and getting the necessary support from others.

Managing Transitions

Change is about dealing with transitions successfully. Transition is all about letting go of somebody or something and entering a period where we allow confusion and potential chaos to be before preparing to let something new or different come in the future. The mantra of "let go, let be and let come," is most helpful in dealing with transition difficulties. When you let go of an old habit or an old way of thinking, you create space and release energy for something new to come.

Development: How Will You Keep Growing and Who Will Help You?

The essence of development for change lies in asking, "How can I continually learn and grow?" Adopting a mindset of continuous improvement is the best way to maximize your potential for continuous success.

There are several thinking skills and behaviors you must develop if you are to strengthen this frame of mind and apply it to leadership and to life. These include knowing when to go back and practice the basics and knowing how to let go of perfectionism, maintain humility, align intention with impact, give and receive nonthreatening feedback, and seek out secure bases that challenge you and hold you accountable.

For people who have been successful in one field, it can be difficult to let go, go back to the beginning, and become successful in a different walk of life. However, if they apply the learning that made them successful the first time around, are willing to go back to basics and can work with the Five Ds, they can enjoy success again.

When you pursue a life of continuous learning and development, you open up to opportunities and never quite know where the path may take you.

The learning person demonstrates self-knowledge, self-acceptance, self-respect, autonomy, and the seeking of both solitude and company. With self-knowledge, you are able to assess your own abilities, aptitudes and motives realistically. With self-acceptance, you are able to affirm the essential validity of your own being or reality and recognize and acknowledge your own feelings and reactions. With self-respect, you are able to think well of yourself regardless of your particular achievements or possessions, and you feel adequate, lovable, acceptable and worthy. With autonomy, you are able to accept your own need for others, but you are also emotionally independent, believing that you have the emotional resources needed to handle life's opportunities and crises. Finally, when you seek both solitude and company, you are willing to spend time alone and also with others.

Having Secure Bases to Support You

You cannot see yourself as others do. We all have blind spots, and we require feedback from others to become aware of them, particularly during major change events, when the pressure is greater. Secure bases can tell you things you may not want to hear, but because of the strength of the bond between you, you will listen to them and even act upon their advice, no matter how reluctant you are. Find secure bases who can support, stretch and challenge you in the achievement of your goals.

Part II: The Change-Focused Organization

Disruption: Balancing Challenge and Opportunity

The ways in which organizations experience disruptions are both similar to and different from the ways in which people experience them. Organizations experience disruption differently because of the intensity of 21st century competition. Organizations in many industries are experiencing more competitive disruptions and view these as real threats to their survival.

A disruption can elicit great performance improvements in both people and organizations. The disorienting effects of disruption can trigger the deep reflection and changes in perspective that are required for leaps in learning and performance. To lead change in yourself, you must choose to *act* on a disruption — to use it for personal growth. To lead change in your organization, the choice is not *whether* you will act on a disruption, but *how.* Your first step is to quickly and effectively reframe the competitive disruption as the opportunity it can become.

Competitive Disruption and Revolutionary Change

Competitive disruptions are periodic occurrences that are unexpected and so significant that they threaten the very existence of the organization. Because competitive disruptions threaten survival, organizations take them seriously and often respond with large-scale change efforts that we refer to as revolutionary change. The goal of the revolutionary change effort is to quickly and effectively address performance gaps and make the organization more competitive.

The initial steps of leading revolutionary change are about refocusing your organization away from the fear and uncertainty of competitive disruption to the opportunities it always brings by taking fast and considered action. Here are some recommendations.

- **Create a guiding philosophy:** The guiding philosophy, a sort of "core values" for organizational change, works best when it is created by the senior executive team in close collaboration with the workforce. Build an organization-wide consensus on what great organizational change is and how it is implemented. The guiding philosophy should inform every decision in managing revolutionary change.
- **Establish a change leadership council:** Quickly creating a high-level management structure to lead and oversee the change effort is a critical first step. The change leadership council defines the nature and scope of the change effort and sets goals that are in line with organizational strategy.
- **Formulate a change strategy:** A great change strategy is brief, clear and inspirational. It helps build desire for the revolutionary change by increasing organization-wide understanding of the change effort, why it is important, and how it will unfold. Formulating the change strategy is a great opportunity to involve the workforce.
- **Initiate communication:** Executives we interviewed underscored the importance of great communications in the early stages of change, when anxiety and confusion are highest. Communications should begin as soon as possible, focus on informing and integrating the change effort, and be frequent, detailed and personal.

Desire: Building Motivation to Change

Making deep changes in yourself requires transforming a wish into a more powerful "want." You must choose to build in yourself a desire that is strong enough and sustainable enough to fuel real change. At the organizational level, your ability to build a strong and sustainable desire is also essential if you are to achieve real change.

Building the Desire for Change

We recommend three actions for building strong desire in your team and your workforce during revolutionary change:

1. Shape the environment during change: Your actions can help your team and workforce reframe the change effort from something to avoid to something to approach. Model appropriate behavior. No matter what happens, stay calm, focused and positive. Provide insight and context to help your team members interpret change-related events positively as they occur.

2. Develop people during change: When you focus on developing your people, every part of the change effort gets easier: Your team members handle the disruption better; they contribute more; and they find it easier to build and sustain the desire for change. Involve people immediately; train them to be proactive and adaptable; make development personal; celebrate success and reward performance, and focus on a higher purpose.

3. Create an organization-wide communications strategy: Make it transparent and objective; it should inform, enable, integrate and celebrate the change effort. It should not attempt to coerce or persuade. The strategy should be comprehensive, consistent and inclusive and should use every means available to ensure that every person in the organization is reached. Align the communications strategy with the change strategy. Ideas should be shared and openly recognized.

Your ability to actively shape the organizational environment makes revolutionary change less threatening to the brain. This enables improved thinking and builds a desire for change.

Discipline: Coordinating Energy, Focus and Effort

Achieving discipline for organizations requires you to coordinate the energy, focus and effort of many people over time. Without discipline, revolutionary change efforts fail to sustain the desire necessary for true organizational change. When this happens, the organization, like the individual, reverts to a former familiar state, and change fails.

One reason for the inability of modern organizations to sustain desire is the continued and/or unexpected resistance of stakeholders. Another is the arrival of new high-priority problems that divert attention and resources. A third reason is poor management of the change effort. Building the management structures that are needed to develop and sustain discipline is about experimentation, persistence and insight. You must ensure that you have the right balance between control and flexibility to achieve lasting change.

Building and Sustaining Discipline

We recommend taking the following actions to create a great management structure for revolutionary change:

- **Establish a change implementation team:** This team is created by the executive change leadership council and reports to the council. The team has two primary purposes: creating the change implementation plan and using it to guide the day-to-day implementation of the change effort. The team coordinates and integrates all change-related activities across the organization.
- **Create a change implementation plan:** The plan has an overriding purpose: to provide the organization with a clear road map for the change effort. It has at least five benefits: it focuses attention on the change effort, builds understanding and clarity, builds participation and collaboration across the organization, improves performance, and balances control and flexibility.
- **Build a cadre of change leaders:** Perhaps the most important consideration in leading successful change is building a cadre of change leaders that is optimized for your organization. Great leaders enable an organization to perform change efforts better, faster and with fewer resources. Change leaders quickly reframe disruption as opportunity, build and sustain the desire for change, provide additional discipline and determination, and actively enhance the development of people, teams and the organization.

Great change leaders are proven business executives. They understand the organization, including its core business and operating model. Successful executives understand the organization's culture and how to navigate successfully within it. They have developed important relationships and trust across the organization. Great change leaders balance the technical, political and developmental aspects of leading change. They also shape the organizational environment during change and create a balance between control and flexibility.

Identifying and Integrating a Change Leadership Competency

It is the job of your organization to define a change leadership competency tailored to meet its own vision of great organizational change. The following steps provide a general guideline for formally identifying an organization-specific competency for leading change and integrating it into the overall leadership model:

- **Work with HR to define a new, organization-specific competency for leading change:** A small team of HR professionals can define this competency, ensure that it is valid, reliable and defensible, and create a development program in two or three months. The new competency should be defined for every leadership level.
- **Integrate the new competency into your organization's overall leadership model:** This means integrating the new competency "leading change" into your organization's overall definition of leadership. Adding the leadership of change to the model tells everyone that this is a priority. It says that leading change isn't something special or separate but is an integral part of leadership in your organization.
- **Identify development actions, and integrate them into your overall leadership development program:** Everyone who's seeking advancement in the leadership ranks should be required to have development and experience in leading change.
- **Modify the performance management system so that leaders are formally assessed on their performance in leading change:** Make their performance in this area a factor in their advancement. A leader's performance in organizational change efforts should inform decisions on compensation and advancement. In this way, the importance of leading great change becomes increasingly understood. Over time, these actions help to embed the leadership of change into your organization's culture.

Determination: Coping with Setbacks

Setbacks are so common during organizational change that we have invented a "best practice" when consulting on large-scale change efforts. Before the change effort begins, we advise our clients to prepare themselves in two ways:

- Build the change intervention in a way that anticipates setbacks and plans for them in advance.

- Understand that no matter how good your advance planning is, you will experience setbacks.

Expect setbacks, and commit to the determination to push through them. Your goal is not merely to push through setbacks but to recognize and exploit the opportunities that they provide.

The Nature of Setbacks

Two types of setbacks are *typical setbacks* and *derailers*. Both are important, but the approaches for managing them are quite different. *Typical setbacks* are routine occurrences that affect the performance of change efforts. By *routine*, we mean things that often occur during change efforts and therefore can be anticipated. Examples include

- **Reduced priority of the change effort over time:** New business issues and other distractions begin to challenge the effort for priority. When the priority of a revolutionary change effort begins to fall, the effort is in jeopardy, and you must act.
- **Loss of vision:** The organization loses sight of its vision for the change effort over time. If the reason for enduring discomfort is lost, reverting to old behavior is an easy way for the brain to stop the discomfort. Successful change demands that the vision stay strong over time.
- **Senior leadership conflict and/or "stonewalling":** One manifestation of this occurs when leaders become defensive and/or try to minimize the effect of the change effort on their business unit or function. This often occurs when insufficient effort was invested in building senior leadership consensus and/or when the CEO and the top management team are not directly engaged in the change effort.
- **Inconsistent and/or ineffective change leadership:** Some change leaders foster high levels of performance and collaboration, but others foster the opposite effects. It makes great sense to build a cadre of change leaders before change is necessary.

We define *derailers* as unexpected occurrences that threaten the success of revolutionary change efforts. Derailers arise from the growing complexity of the competitive environment: increasing globalization, unprecedented competition, more or different stakeholders, economic uncertainty, energy constraints, resource scarcity and political instability.

Managing derailers in a volatile, uncertain, complex and ambiguous environment is a difficult task for any organization. Even so, two things will help: improving your organization's ability to "sense" its competitive environment and creating an internal environment in your organization that is optimized for continuous change.

Managing setbacks effectively involves reducing or eliminating their adverse effects and exploiting the opportunities they provide. We recommend four actions: anticipate typical setbacks, improve environmental sensing, continually optimize the organizational environment, and manage your determination.

Development: Learning Continuously About Change

Change leaders must embrace and focus on coordinating the development of individuals, teams and the organization as an integrated system. The primary goal of this system is to develop the ability to constantly carry out organizational change better.

Developing your organization's ability to continuously improve organizational change is about learning. Enabling learning in individuals, teams and the whole organization is the key role for you as a change leader. Three actions are important in accomplishing this:

- **Enable learning in people:** Act as a coach and a mentor, providing important context and perspective. Your focus is on creating an environment that is conducive to learning about change.
- **Enable learning in teams:** Act as a facilitator, focusing on drawing out and using the best thinking of teams.
- **Enable organization-wide learning:** Act as an integrator, focusing on building the structures and processes needed to share and use learning across the organization.

Our recommendations complement two of the foundational competencies of a change-focused organization: *develop people constantly, and ensure organization-wide learning.* Without learning, there is no sustainable change.

Your role as a change leader can accelerate the learning of people, teams and your whole organization on how to constantly perform organizational change better.

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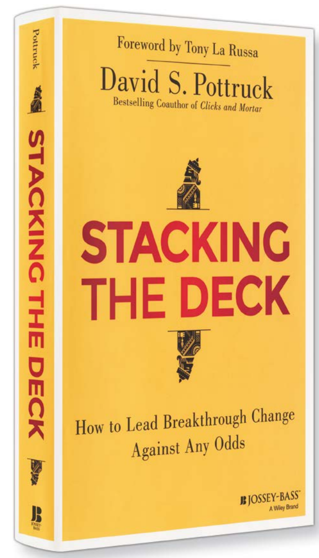
Leadership

Stacking the Deck

How to Lead Breakthrough Change Against Any Odds



by David S. Pottruck

THE SUMMARY IN BRIEF

Change is a constant, and leaders must do more than keep up — they must innovate and accelerate to succeed. Yet people are often unnerved by change. As a leader during a time of transformation, you may stand up before teams that are indifferent, or even hostile, and need to convince them that change is necessary and urgent. What does it take to be an effective change leader and increase the odds of success?

Stacking the Deck presents a nine-step course of action leaders can follow from the first realization that change is needed through all the steps of implementation, including assembling the right team of close advisors and getting the word out to the wider group. Based on Dave Pottruck's experiences leading change as CEO of Charles Schwab and later as chairman of CorpU and HighTower Advisors, these steps provide a guide to ensure that your change initiative and your team have the best possible shot at success.

Leading an organization through major change — whether it's the introduction of a new product, an expansion to a new territory or a difficult downsizing — is not for the faint of heart. While success is never guaranteed, the right leadership, process, and team make all the difference. For all leaders facing major change in their organizations, *Stacking the Deck* is an indispensable resource for putting the odds in your favor.

IN THIS SUMMARY, YOU WILL LEARN:

- The nine crucial steps for creating breakthrough change in your organization.
- How to anticipate known and unknown barriers.
- How to think about the big picture and the nuts and bolts, from passion and vision, to building a plan and partitioning projects.

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THE COMPLETE SUMMARY: **STACKING THE DECK**

by David S. Pottruck

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Introduction

Breakthrough change refers to those disruptive initiatives that dramatically, profoundly affect the organization and the people in it. It redefines the prospects for the future and interrupts the organization's cautious momentum plan with incremental improvement. One reality of business that seasoned executives know well — often by learning it the hard way — is that introducing and implementing breakthrough change is an uphill battle.

Most organizations' processes and culture are structured for predictability, reliability, control and risk minimization. Breakthrough change is the polar opposite. It is unpredictable and favors responsiveness to new realities over control and staying the course. Breakthrough change is inherently risky and goes against every instinct the leaders of the company have developed over the course of their careers. Is it any wonder, then, that employees often resist breakthrough change — even in companies whose leaders say it's exactly what they need?

Leaders must find ways to help people see the need for change and then inspire them to move toward it with confidence and urgency. The nine-step Stacking the Deck process is designed to mitigate the risks that come with change by having you take concrete steps to increase your chances of success. This preparation does not make the change less bold — and it doesn't guarantee success. What it does do is create an advantage (or more accurately, a series of advantages).

You may know the phrase "stacking the deck" to mean preparing a deck of playing cards so that you will almost certainly win the game rather than rely on chance. The Stacking the Deck process is not designed to cheat other players. It implies instead that thinking through and preparing for all the steps and processes we will need to undertake vastly increases our chances of success. Together these nine steps represent a plan of action that will take you from the first realization that a change needs to be made through a complete shift in the way you implement this change.

Breakthrough change never, ever stops while the world progresses. Competition, the marketplace and technological advances make it necessary to keep growing and changing. Each of the nine steps will guide you along the way to breakthrough change.

Step One: Establishing the Need to Change and a Sense of Urgency

No matter how well leaders understand the need for change, the challenges they must face in leading breakthrough change will be enormous. We can't deny that change is part of life. Yet in life and in business, some people embrace change and others actively avoid it.

Link the Purpose and Mission

In leading breakthrough change, we must first convince others — those to whom we report and those on our team — that our proposed change has a positive, necessary and urgent purpose. First with the team and later with the larger organization, you've got to help people believe that the change facing them is actually progress. You will be most successful when you tie the change to the company's mission and show how the change will help achieve it.

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Rebecca S. Clement, Publisher; **Sarah T. Dayton**, Editor in Chief; **Ashleigh Imus**, Senior Editor; **Amanda Langen**, Graphic Designer; **A. Imus** Contributing Editor

When employees believe in a mission, they get excited and passionate about contributing to the company's goals. Thus, connecting a breakthrough change to the company mission and explaining how it contributes to the mission can help employees see and appreciate why a change may be necessary — even critical — to the company's future success.

Whatever the purpose of the change you are proposing, convincing others of its need requires effort; and it's almost always much more effort than you expect. Even if the need seems logical and inescapable to you, others won't necessarily recognize that at first. People who are afraid do not behave logically, and they don't respond to logical appeals. How can we smooth the way?

First of all, repetition is important. It's not enough just to announce a change and call it a day. You must give your employees the information again and again and use a variety of methods. Tell them in person, tell them in writing, and tell them via e-mail. Tell them one-on-one and tell them in big groups. It's very likely that not everyone will have heard you correctly the first time.

Underscore the Urgency

Before you decide to convince anyone else about the change you are proposing, you have to satisfy yourself that change is not just necessary; it's necessary sooner rather than later. You have to invest in the change and commit to it with your time, your energy and your budget. Be sure that you've considered these issues and that you've honestly pondered and answered the following questions:

- Have I evaluated the numbers for different scenarios?
- Do they look good?
- Do I truly believe in the purpose behind the change?
- Am I fully convinced of the urgency of the change itself?
- Can I demonstrate that this change is worthwhile and imperative?
- Do we really have to do it right now?
- What will occur if we postpone it?

If what you're proposing is big and bold and strategic, chances are that you will encounter people at all levels of the organization who think it may be easier to do it later. These people may voice their objections by saying, "Let's think about this some more" or "Let's be patient." You might also hear, "Shouldn't we get some more data?" Overcoming resistance and maintaining momentum require constant effort.

Step Two: Assembling and Unifying Your Team

No matter how compelling the need and how strong your passion for making the change, achieving and sustaining breakthrough change will require much more than just your passion. Leaders must rely on a well-balanced leadership team. It's your job to actively develop and unify a group that will guide the organization in making your change a reality. You are looking for pioneers, for people who are comfortable with a greater degree of risk than the average person.

When you are creating your leadership team and looking for people to help you make this change happen, consider four key elements: skill, experience, enthusiasm and team fit. The surprising truth is that enthusiasm and team fit may be the most challenging elements to locate. You need people who are willing to enter unmapped terrain. These pioneers will guide your larger team, usher your change into reality and serve as ambassadors to the rest of the organization.

Attitude is critical, but it's not sufficient. Leaders must find people with the relevant experience, and very often — particularly with breakthrough change — that means going outside to recruit the key talent that's needed.

Take Steps to Unify the Team

Even with the right people, you have to unify the team and manage your people in the right way. More than the plans you develop or the financial resources at your disposal, it's your people and the way you lead them that will make the difference. Ask your team to give you the answers to the following questions on a periodic basis:

- What do I do particularly well that I should do more of and build on?
- What do I do poorly that is hurting the team and needs my attention and commitment to change?
- How could I do better? What actions would help me improve and improve our team performance?
- What do I spend my time on that I need to do more of?
- What do I spend time and energy on that I need to do less of, delegate to someone else, or stop altogether?
- How else could I improve my performance and that of our team?

Your team needs to know that you'll treat their answers as constructive and strictly anonymous. With that understanding, they may deliver up some surprising answers. Be sure to have a session with the team in which you review the feedback and let them know what you plan to do to respond to their suggestions.

Building Trust

Absence of trust is the source of a lot of team dysfunction, and establishing trust must start when a team is first formed. In fact, this is how you begin to build a high-functioning team. Getting people together and encouraging them to talk about themselves can in fact be a great trust builder — when done well.

It's important to shape and drive these situations to make sure that the stories actually bring people together rather than create walls between them. Since not every executive has the skills to lead such a discussion, investing in an experienced facilitator can be very worthwhile.

Step Three: Developing and Communicating a Clear and Compelling Vision of the Future

Once you have your leadership team in place, you and your team need to be ready to envision and communicate the future in such a vivid and irresistible way that everyone around you understands your vision and shares your passion for it.

In the earlier step, we were simply attempting to convince others that the status quo is unacceptable and the way we are doing things today no longer works; we need to do something different as we move into the future. In Step Three, we develop and present a very specific idea of what that "something different" is. In most cases, this means comparing the present to a future that is very different.

Whether you are starting anew or bringing change to an existing organization, you must give people a clear — and strongly compelling — vision of the future: where the organization is going and their role in the new future. Momentum is critical in the early steps of breakthrough change.

There were two recurring themes in all of the interviews I conducted:

- The critical need to communicate a compelling vision of the future;
- The critical need to communicate that message over and over.

Leaders need to spread the message to different groups and at multiple times to the same group, in different ways and in various situations. The ability to lead change rests on the leader's character and skills as a communicator. Developing yourself in these areas is an immersive process, as deep as it is rewarding. It is vital to each of the Stacking the Deck steps and transcends all of them. Developing your communication skills should be at the top of your list.

In a sense, communicating the vision behind the breakthrough change effort is never over; it's something you must repeat and constantly reinforce. To do this well requires passion, patience and understanding.

Step Four: Planning Ahead for Known and Unknown Barriers

The fourth step in the Stacking the Deck process is all about anticipating problems as you are planning, and confronting these problems before they derail your efforts.

Unfortunately, you cannot anticipate all problems. In general, however, the early or initial difficulties you will encounter when introducing breakthrough change fall into four broad categories. So many great change initiatives are given up for lost or destroyed because of these difficulties that I refer to them as the "Bermuda Quadrangle."

Mapping the Bermuda Quadrangle

Be aware and on the lookout for these issues as you plan and then execute the changes you propose:

People Resist Change: What will people resist? What will they embrace? What can you do to allay their fears about the change? The brevity of these questions is deceiving. They are difficult questions that must be addressed early and with an open mind.

Skills Are Missing: Recognize that a great attitude is required but is not sufficient. Part of your advance planning, therefore, must be a careful assessment of what skills will be needed, how they can be developed in-house, and where you can find them outside. You'll have to find ways to get people to adapt, or else actively recruit new people. Most likely you'll do both.

Processes Are Rigid: If you are proposing a change to established processes and procedures, you may be up against years of institutional habits and mindsets. You'll need to determine where the company is set in its ways and decide what it will take to change those procedures and mindsets.

Company Culture Is Unyielding: You need to think about the breakthrough changes you're proposing in the context of the entire enterprise. Does this change fit in with the values of the existing corporate culture? If it does, how can you best make that connection clear?

Planning for the Unexpected

The way to prepare for the unexpected is to explicitly talk it out, and not just inside your head. Gather executives, responsible business partners and any other people whose involvement is critical to the change you propose, and ask them all to think seriously about how the change might be received within the organization, outside of the organization and what could go wrong.

Examine potential resistance: Take the time to explore and think about the risks and the uncertainties ahead and do so in detail so that you can eventually manage them proactively and create comprehensive ways to defuse these issues. While you may not be able to predict with certainty exactly what will happen, you can make a reasonable estimate of the odds of success versus the odds of the project going wrong.

Outside experts can sharpen the focus: Using outsiders can help you better anticipate the barriers you will face or even see the opportunities that are already in front of you. Outside consultants play a huge role in the success of breakthrough change. They are valuable repositories of new experiences, new wisdom and challenging perspectives — including the critical perspective that can debunk corporate mythologies.

Step Five: Creating a Workable Plan

Now you need to translate the inspiring vision of the future that you and your team have developed into a workable, real-world plan.

Making Assessments: From the Present to the Future

Starting anew and long-term planning have certain parallels: the need to assess where you are, where you want to be and how to get there. These assessments are vital to leading breakthrough change, whether you are starting from scratch, reshaping an aspect of the business, entering a new market or looking to expand your reach.

Initial assessment: where we are. Virtually all plans start with a thorough assessment of "where we are" (WWA). This assessment should take into account not just operations and processes but all other factors that contribute to a company or organization's position in the marketplace. You want to look at factors such as competitive position, customer satisfaction and quality of output, productivity and efficiency, human resource considerations and more.

Assessment for breakthrough change: where we want to be. Truly breakthrough change is a chance to substantially redefine the future to be something very new and different, perhaps a competitive leap forward. What will success look like in this new situation? How will we measure that success? Be sure that you and your people are imagining the most timely, highest-potential breakthrough. What you don't want is for people to picture just more of the same, only faster. You want to think imaginatively, envisioning a different future.

Assessment for action: how do we get there? Rather than painting a big, sweeping picture of the future, we must now define that future as a set of specific goals, deliverables and metrics, because now we are creating the actual plan. When you can fully answer the "how," breaking it down in terms of partitioning, metrics, people, and pilots (Steps Six through Nine), then you will have developed a meaningful plan of action.

Planning Components

Like many other business plans, the plan for a breakthrough change has the following key components: goals and deliverables, tasks, deadlines, capital and other resources, people.

Goals and deliverables: In contrast to planning an incremental change, you don't know exactly what the outcome will be at the beginning of a breakthrough change initiative. If, however, you are using the Stacking the Deck process, you will have a reasonably good idea. You should have a clear need to change and a compelling vision of the future. But that isn't the same as a specific set of executable goals you can move toward. By dividing your overall goal into smaller, step-by-step goals, you will have a series of checkpoints that you can use to determine if you are on track. When you subdivide a single, giant goal into smaller targets, you allow for more control and momentum building.

Tasks: Once you have the broad strokes of a plan, you must lay out the tasks you need to accomplish. This part of the planning process remains the same for most project and operational plans, whether the change is incremental or breakthrough.

Deadlines: You must be constantly reinforcing the importance of critical deadlines as they relate to key deliverables. There are often many moving parts in breakthrough initiatives and they are often interrelated. Pause or remove one, and everything grinds to a halt. Combat delay the same way leaders approach other problems: anticipate, anticipate, anticipate.

Capital and other resources: There's likely to be a series of economic and institutional limits on those resources. As a result, the budgets typically awarded for these projects seem much tighter to those who are responsible for the actual outcomes. You need to negotiate from a place of strength and knowledge to secure the best possible framework for your change initiative.

People: People go hand in hand with more physical resources. Often the only way to combat a shortage of funds or labor is with an excess of passion. This goes back to finding your pioneers and getting them on board quickly. You need people who are committed, excited, and willing to put in the extra time and effort.

Step Six: Partitioning the Project and Building Momentum With Early Wins

Leading breakthrough change often means working toward an end that seems distant and out of focus. If your people can't visualize the future in real terms, they'll find it difficult to muster the urgency to undertake the journey. You therefore need ways to make the immediate steps clear and to help people — particularly those who may not have been involved in developing the vision but who will be crucial to its realization — see the path to the future in real, concrete terms.

Planning for Interim Successes

One of the best ways to preserve the enthusiasm that you have generated early on is to divide a major breakthrough change initiative into smaller phases, having shorter and intermediate-term goals with specific, clearly defined benefits. Ideally, each of these smaller goals will take less than twelve months, preferably six months or less. They provide a series of checkpoints where you can celebrate interim successes on the road to a completed change.

Planning for interim successes has multiple benefits. By delving into the details of a phased approach, you can uncover issues well before they turn into problems. Breaking a change initiative into a phased approach improves the quality of planning and, in the long term, can also make you a better, more detailed planner. It also enables you to show results and increase support for the initiative.

Build in Celebrations

"Celebrate" is another key word for the team and the overall plan. It does no one any good to let a success, including a small interim success, slide under the radar unnoticed. Without a sense of accomplishment and achievement within the team, burnout can become a problem. Acknowledging and celebrating small, staggered successes boosts morale and helps with team retention. From both a career and psychological perspective, people need to be seen to have accomplishments. Further, each celebration can reinforce the overall goal. Particularly if that goal is far on the horizon, you should create small celebrations in all phases of the initiative.

Breakthrough change is often about a new way of doing business, a new distribution channel, a new product, a new position in the market. As you develop your plan, carefully consider which interim steps you will focus on first. How will you capture what you've learned from those steps and celebrate the interim successes? How will you increase and maintain momentum ? How will you fund it all?

Step Seven: Defining Metrics, Developing Analytics and Communicating Results

To define success for your initiative you need to focus on measurable outcomes. People need to see the end result with such clarity that they can act on their own.

There's a strong desire in business to measure everything with one simple question: how much money are we making right now? But when we are making a breakthrough change, the end goal of enhanced profitability could be a long time in coming. There are always other more immediate factors we can track that will lead to profit improvement down the road. And when that road is long and uncharted, as it often is with breakthrough change, it's particularly important to measure the interim steps and goals along the way.

Measuring Progress and Success: Big Data, Metrics and Analytics

Leaders and high-level executives who are responsible for funding a given project want concrete, measurable indicators that tell them how a change is going. Historically, the usual word attached to these kinds of indicators has been "metrics."

The possibilities big data offers seem phenomenal; the opportunities to analyze enormous amounts of data in real time, very enticing. But even as capabilities evolve, it's clear that given the changes brought by big data, the traditional terms of metrics simply don't go far enough. Instead, we need to think in terms of analytics as we strive to use the newly available data most effectively. How do we best make use of the data and monitor the indicators? There are two major types of indicators — leading and lagging — each with different implications for your breakthrough change initiative.

Leading indicators: As the name implies, leading indicators are harbingers or evidence of success or failure that appear before any of the others. It's a common misconception that market share and profitability are leading indicators. In fact, it's more likely that we are hoping these will dramatically accelerate toward the end of the project; they rarely do so at the beginning.

Here are some leading indicators you might consider measuring:

- Measures of customer engagement such as customer calls or log-ins, click-throughs to deeper parts of your website, visits to physical locations, and purchases of various merchandise lines or products.
- Measures of employee engagement, attitude and turnover.
- Trend lines revealing how key indicators move over time periods.
- Customer loyalty as measured by online recommendations, endorsements, referral programs, or by the Net Promoter Score.
- Sales numbers, units, dollars, average price, product mix.
- Public relations as measured by number of positive mentions and numbers of headline stories, product reviews, or articles about your product or initiative, as well as social media mentions in tweets, retweets, and the like.
- Customer complaints, by type and number.
- Any customer attrition you may experience.

Lagging indicators: Lagging indicators are the big and important measures of success — such as reduced costs or improved market share, competitive position, pricing power, profit dollars, and profit margins — that we are working toward. Everyone wants to see positive lagging indicators and, typically, the sooner the better. But the results reflected in lagging indicators take time, sometimes years, to emerge. They are almost always foreshadowed by positive trends with leading indicators.

How do we help our people through that long period before the lagging indicators move ? We have to power through. And that is helped enormously with analytics and measurements: the more precise and granular, the better. We want monthly, weekly, and even daily measurements. We want to see every emerging trend, and every reporting period counts.

From leading and lagging indicators to big data to various types of analyses, the available information is nonstop. You need to determine what's most important among competing issues and direct your attention there.

Step Eight: Assessing, Recruiting and Empowering the Team

This builds on the work you did in Step Two. At this point, you might want to revisit and repeat some of those initial team-building actions, for at least two reasons. First, it may be time to further strengthen the leadership team for the long haul. And second, as the focus shifts to bringing together the entire team, you need to attend to the broader team that will ultimately do all the heavy lifting to bring the change initiative to fruition. This means assessing skills, namely, skills that already exist within the organization, additional skills you will need to develop and skills you will need to bring in. It also means recruiting for talent, fit and balance and empowering the larger team to succeed.

Search for Talent, Skills and Fit

You know that you're looking for people with precise skills, talent, and experience for your dream team. Now, where will you find those people?

Inside your organization: You will first want to look inside the organization to use the skills of the people you already know and trust, people who deeply understand the organization's mission and the importance of the breakthrough change. Being able to rely on people who are already part of the culture can be a tremendous boost. But if you've come to realize that even your best people are not right for the job, how do you go about finding the right people?

Becoming a magnet for talent: Ideally you want to be able to draw on an ever-expanding pool of talented people, both inside and outside your organization. Whether building a network comes easily to you or is a skill you need to work on, the sooner you start, the better. Consider the people you meet at a conference, people who have worked with you before, even people who have recently been part of high-profile change projects elsewhere. Keep tabs on these individuals and cultivate professional relationships with them. Stay in touch and take a personal interest, perhaps even offer to act as a mentor. The odds are good that you will both benefit.

Unify and Empower the Larger Team

The benefits of a strong team are worth it. And with the right team, creativity in the face of a crisis can work wonders.

Ginger Graham has run several businesses that focus on innovation and new product development and speed. She explained that at one point the medical device company she was then with, Advanced Cardiovascular Systems, was "woefully behind in stenting technology and losing market share in the core business because of it. We invited something close to 50 employees into a room for several days with a professional facilitator to map out how we had been developing products. Then we asked them to brainstorm and work together to answer the question, 'If you could change it all, if you could fix all the things that you believe the company has been doing wrong, what would that future development process look like?'"

The group immediately set to work and redefined product development in the company. They defined a new way of developing products that would be "faster, leaner, more efficient, more focused — and that would allow us to catch up and win in the marketplace." In fact, the process worked so well that the company "went from 1 percent to more than 75 percent market share on one product launch in a major category in stenting, when stents were still relatively new in this country."

Step Nine: Testing with Pilots to Increase Success

Defining a precise set of rules about how to roll out your next breakthrough initiative is impossible: the potential projects are simply too diverse. Nevertheless, appropriate and careful use of pilot projects is a consistent thread in successful rollouts; pilots can dramatically enhance your prospects for success.

Traditional proof of concept pilots rest on a belief that it makes the most sense to test a new idea on a representative sample of your customers and your employees. The goal here is to create a slice of life and then see how your idea performs in this micro but representative version of the real world.

Unfortunately, when a traditional pilot to test the feasibility of a project shows initial success, leaders all too often rush to roll it out on a large scale.

I recommend adding an even earlier, smaller pilot, which is designed in every way to succeed. I call this a stacked proof of concept pilot because it gives the advantages of stacking the deck to a proof of concept pilot. Instead of a wide range of geographical locations, you select the best possible location, where people (potential customers and staff alike) will be most receptive to the change you're proposing. Instead of addressing average customers, you target your ideal customer base, those segments most likely to respond positively. And instead of a cross section of managers and employees, you handpick your best and your brightest to work on the stacked proof of concept pilot. You're looking for those people who are drawn to and thrive on change.

If it fails, you are forced to concede that since your idea can't succeed here, it probably can't succeed anywhere, and needs to be fundamentally reconsidered. In forming the pilot team and framing the project, you are trying to remove all possible implementation issues, individual motivation issues, employee pushback issues. All that is left is a single question: can this idea work? The stacked proof of concept pilot gives you the opportunity to test that question on its own.

In the right hands, and with the right mind-set, the Stacking the Deck steps can create a more productive and more readily navigated path to breakthrough change. The process itself is less about what to think than about how to think. It's about learning to anticipate and to analyze logically and carefully; thinking creatively and embracing possibilities; learning what to prioritize, where to concentrate energy, and how to move forward while bringing others along with you.

RECOMMENDED READING LIST

If you liked *Stacking the Deck*, you'll also like:

1. ***The Road to Reinvention*** **by Josh Linkner.** Linkner identifies six elements in any business that are ripe for reinvention and shares examples, and step-by-step techniques for creating deliberate, productive disruption.

2. ***Choosing Change*** **by Susan Goldsworth and Walter McFarland.** McFarland and Goldsworthy offer a proven model for not just facing inevitable change but also leveraging it as a tool for long-term success.

3. ***Change with Confidence*** **by Phil Buckley.** Buckley addresses the 50 biggest questions that change leaders ask time and again, and provides the context and advice to enable successful, sustainable change.

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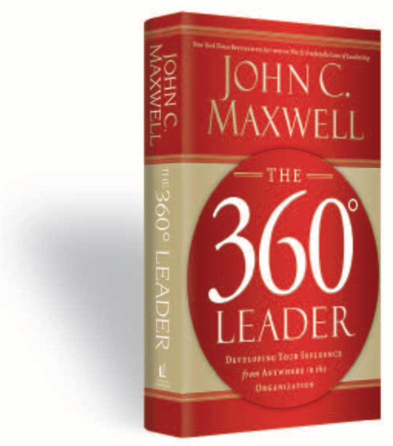

By John C. Maxwell

Developing Your Influence From Anywhere in the Organization

THE 360 DEGREE LEADER

CONTENTS

THE SUMMARY IN BRIEF

These are classic pictures of leadership: William Wallace leading the charge of his warriors against the army that would oppress his people. Winston Churchill defying the Nazi threat as much of Europe had collapsed. Mahatma Gandhi leading a 200-mile march to the sea to protest the Salt Act. Mary Kay Ash going off on her own to create the world-class organization Mary Kay Cosmetics. Martin Luther King Jr. standing before the Lincoln Memorial challenging the nation with his dream of reconciliation.

Each of these people was a great leader. Each made an impact that has touched millions of people. Yet these pictures can also be misleading. The reality is that 99 percent of all leadership occurs not from the top but from the middle of an organization. Usually, an organization has only one person who is the leader. So, what do you do if you are not that one person?

You can learn to develop your influence from wherever you are in the organization by becoming a 360-degree leader. You can learn to lead up, lead across and lead down. Only 360-degree leaders influence people at every level of the organization. By helping others, they help themselves.

Becoming a 360-degree leader is within the reach of anyone who possesses average or better leadership skills and is willing to work at it. You don't have to be the main *leader to have a significant impact in your organization. Good leaders are not only capable of leading their followers but are also adept at leading their superiors and their peers.*

This summary will teach you how to:

- ✓ ***Overcome the myths believed by many people in the middle of an organization.***
- ✓ ***Deal with the most common challenges faced by people in the middle of an organization.***
- ✓ ***Lead your boss, your colleagues and your followers.***
- ✓ ***Overcome the setbacks and obstacles you will face on the road to becoming a 360-degree leader.***
- ✓ ***Quantify the value of 360-degree leadership.***

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THE 360 DEGREE LEADER

by John C. Maxwell

— THE *COMPLETE* SUMMARY

The Myths of Leading From the Middle

The Position Myth

The number one misconception people have about leaders is the belief that leadership comes simply from having a position or title. But nothing could be further from the truth. You don't need to possess a position at the top of your group, department, division or organization in order to lead. If you think you do, then you have bought into the position myth.

The true measure of leadership is influence — nothing more, nothing less. Leadership is dynamic, and the right to lead must be earned individually with each person you meet. Where you are on the "staircase of leadership" depends on your history with that person.

Position has little to do with genuine leadership. Influencing others is a matter of disposition, not position. Leadership is a choice you make, not a place you sit. Anyone can choose to become a leader wherever he or she is. You can make a difference no matter where you are.

The Destination Myth

Those who believe the destination myth might say, "When I get to the top, then I'll learn to lead."

But, if you want to succeed, you need to learn as much as you can about leadership before you have a leadership position. Good leadership is learned in the trenches. If you don't try out your leadership skills and decision-making process when the stakes are small and the risks are low, you're likely to get into trouble at higher levels when the cost of mistakes is high, the impact is far-reaching, and the exposure is greater. Mistakes made on a small scale can be easily overcome. Mistakes made when you're at the top cost the organization greatly and they damage a leader's credibility.

Start now to adopt the thinking, learn the skills, and develop the habits of the person you wish to be. Handle today so that it prepares you for tomorrow.

The Influence Myth

Those who believe the influence myth might say, "If I were on top, then people would follow me."

People who have no leadership experience have a tendency to overestimate the importance of a leadership title. You may be able to grant someone a position, but you cannot grant him or her real leadership. Influence must be earned.

A position gives you a chance. It gives you the opportunity to try out your leadership. It asks people to give you the benefit of the doubt for a while. But given some time, you will earn your level of influence — for better or worse. Good leaders will gain in influence behind their stated position. Remember, a position doesn't make a leader, but a leader can make a position.

The Inexperience Myth

Although the desire to improve an organization and the belief that you're capable of doing it are often the marks of a leader, without experience being the top person in an organization, you would likely overestimate the amount of control you have at the top. The higher you go and the larger the organization, the more you realize that many factors control the organization. More than ever, when you are at the top, you need every bit of influence you can muster. Your position does not give you total control — or protect you.

The Freedom Myth

Those who believe the freedom myth might say,

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The author: John C. Maxwell, known as America's expert on leadership, has communicated his leadership principles to Fortune 500 companies, the U.S. Military Academy at West Point, and sports organizations such as the NCAA, the NBA and the NFL. He is the founder of several organizations, including Maximum Impact. He is the author of more than 30 books, including *Developing the Leader Within You, Your Road Map for Success, The 21 Irrefutable Laws of Leadership,* and *Winning with People*.

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The Myths of Leading From the Middle

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"When I get to the top, I'll no longer be limited."

But when you move up in an organization, the weight of your responsibility increases. In many organizations, as you move up the ladder, you may even find that the amount of responsibility you take on increases faster than the amount of authority you receive. When you go higher, more is expected of you, the pressure is greater, and the impact of your decisions weighs more heavily. Leaders have more obligations and, because of that, they become more limited in terms of their freedom. It is a limitation they choose willingly, but they are limited just the same.

The Potential Myth

Someone who believes the potential myth would say, "I can't reach my potential if I'm not the top leader."

People should strive for the top of their game, not the top of the organization. Each of us should work to reach our potential, not necessarily the corner office. Sometimes you can make the greatest impact from somewhere other than first place.

The All-or-Nothing Myth

Someone who believes the all-or-nothing myth might say, "If I can't get to the top, then I won't try to lead."

Some people in the middle become frustrated by their position in an organization because they define success as being "on top." As a result, they believe that if they are not on top, they are not successful. If that frustration lasts long enough, they can become disillusioned, bitter and cynical. If it gets to that point, instead of being a help to themselves and their organization, they become a hindrance.

Improve your leadership and you can impact your organization. You can change people's lives. You can be someone who adds value. You can learn to influence people at every level of the organization — even if you never get to the top. By helping others, you can help yourself. ■

The Challenges 360-Degree Leaders Face

The Tension Challenge

This challenge comes from the pressure of being caught in the middle. It's not enough to merely recognize that leading from somewhere in the middle of an organization can be stressful. You need to learn how to relieve the tension. Here are five suggestions:

- **Become comfortable with the middle.** Being in the middle can be a great place — as long as you have bought into the vision and believe in the leader.
- **Know what to own and what to let go.** Nothing frees a person from tension like clear lines of responsibility.
- **Find quick access to answers when caught in the middle.**
- **Never violate your position or the trust of the leader.**
- **Find a way to relieve stress.**

The Frustration Challenge

This challenge results from following an ineffective leader.

Your job isn't to fix the leader; it's to add value. The only time that is not true is when the leader above you is unethical or criminal. If the leader won't change, then change your attitude or your work address.

When you find yourself following a leader who is ineffective, do the following:

- **Develop a solid relationship with your leader, find common ground, and build a solid professional relationship.**
- **Identify and appreciate your leader's strengths.** Find them and think about how they might be assets to the organization.
- **Commit yourself to adding value to your leader's strengths.**

The Multi-Hat Challenge

Leaders in the middle must perform tasks and have knowledge beyond their personal experience. And they often are forced to deal with multiple shifting priorities, often with limited time and resources.

Every role or "hat" you are asked to wear has its own responsibilities and objectives. If you change hats, keep in mind that the context changes. The goal often determines the role and the approach to take. Don't use one hat to accomplish a task required for another hat. When you change hats, don't change your personality. And don't neglect any hat you are responsible to wear.

The Ego Challenge

It's normal for any person to want recognition, and leaders are the same. The fact that leaders in the middle of the pack are often hidden — and as a result they don't get the credit or recognition they desire and often deserve — can be a real ego buster. The challenge is to be a team player and remain content while contributing.

Here's how to do that:

- **Concentrate more on your duties than your dreams.**
- **Appreciate the value of your position.**
- **Find satisfaction in knowing the real reason for the success of a project.**
- **Embrace the compliments of others in the mid-**

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The Challenges 360-Degree Leaders Face

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dle of the pack.
- **Understand the difference between self-promotion and selfless promotion.**

The Fulfillment Challenge

The right attitude is absolutely essential to contentment in the middle of an organization. Truly, leadership is more disposition than position. With the right attitude and the right skills, you can influence others from wherever you are in an organization. Here are five ways to develop an attitude of contentment and fulfillment right where you are:

- **Develop strong relationships with key people.**
- **Define a win in terms of the team.**
- **Engage in crucial communication.**
- **Gain experience and maturity.**
- **Put the team above your personal success.** Leadership is about helping others win.

The Vision Challenge

Championing the vision is more difficult when you did not create it. The key to successfully navigating the vision challenge is this: The more you invest in the vision, the more it becomes your own. Even though your own vision may excite you more than someone else's, to get the opportunity to pursue your own dreams, you will almost certainly have to succeed in achieving the dreams of others.

The Influence Challenge

Leading others beyond your position is not easy.

Leadership is influence. If you have neither position nor influence, people will not follow you. And the further outside your position they are, the less likely they are to let you lead them. That's why 360-degree leaders work to change their thinking from, "I want a position that will make people follow me," to, "I want to become a person who people will want to follow."

People follow leaders they know, leaders who care. If leaders care about each individual as a person, then people respond well to them. The greater the depth of their concern, the broader and longer-lasting their influence. ■

For additional information on the challenge of following an ineffective leader, go to: http://my.summary.com

The Principles 360-Degree Leaders Practice to Lead Up

Leading up is the 360-degree leader's greatest challenge. Most leaders want to lead, not be led. But most leaders also want to have value added to them. If you take the approach of wanting to add value to those above you, you have the best chance of influencing them.

Your underlying strategy should be to support your leader, add value to the organization, and distinguish yourself from the rest of the pack by doing your work with excellence. If you do these things consistently, then in time the leader above you may learn to trust you, rely on you, and look to you for advice. With each step, your influence will increase and you will have more and more opportunities to lead up.

Lead Yourself Exceptionally Well

Nothing will make a better impression on your leader than your ability to manage yourself. If your leader must continually expend energy managing you, then you will be perceived as someone who drains time and energy. If you manage yourself well, however, your boss will see you as someone who maximizes opportunities and leverages personal strengths. To become someone your leader turns to when the heat is on, manage your emotions, time, priorities, energy, thinking, words, and your personal life.

Lighten Your Leader's Load

If you help lift the load, then you help your leader succeed. When the boss succeeds, the organization succeeds. Lifting shows you are a team player. It shows gratitude for being on the team and makes you part of something bigger. It also gets you noticed and increases your value and influence.

How do you lift your leader's load? Do your own job well first. When you find a problem, provide a solution. Tell leaders what they need to hear, not what they want to hear. Go the second mile and do more than is asked. Also, stand up or stand in for your leader whenever you can.

Be Willing to Do What Others Won't

Successful people do the things that unsuccessful people are unwilling to do. Few things gain the appreciation of a top leader more quickly than an employee with a whatever-it-takes attitude. That means taking the tough jobs. You learn resiliency and tenacity during tough assignments, not easy ones. When tough choices have to be made and results are difficult to achieve, leaders are forged. That means that you will have to sacrifice some personal goals for the sake of others. You will have to do something because it matters, not because it will get you noticed. Good leaders also find a way to succeed with people who are hard to work with by finding common ground and connecting with them.

Do More Than Manage — Lead!

To move beyond management to leadership, you need to broaden your mind-set and begin thinking like a leader. If you are already leading well, then use this as a checklist to see where you need to keep growing:

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The Principles 360-Degree Leaders Practice to Lead Up

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- **Think longer term.**
- **See within the larger context of how something will impact those above and beside you.**
- **Push boundaries to find a better way.**
- **Emphasize intangibles such as morale, motivation, momentum, emotions, attitudes, atmosphere and timing.**
- **Rely on intuition.** As Dr. Joyce Brothers says, "Trust your hunches. They're usually based on facts filed away just below the conscious level."
- **Look for good people and invest in them to the point where they can be released and empowered to perform.**
- **Be an agent of change.** Leaders want more than just to see progress — they want to make it happen.

Invest in Relational Chemistry

All good leadership is based on relationships. People won't go along with you if they can't get along with you. That's true whether you are leading up, across or down.

The key to developing chemistry with our leaders is to develop relationships with them by listening to their heartbeat to understand what makes them tick, knowing their priorities, catching their enthusiasm, supporting their vision, connecting with their interests, conforming to their personality, earning their trust, learning to work with their weaknesses, and respecting their family.

Be Prepared Every Time You Take Your Leader's Time

For all leaders, time is precious. For that reason, you must always be prepared when you take any of your leader's time.

Whether you have unlimited access to your boss or you only get a few minutes on rare occasions, you need to think and plan ahead. Don't make your boss think for you, and bring something to the table.

Know When to Push and When to Back Off

Successful leaders make the right move at the right moment with the right motive. Timing is critically important to leadership. When it comes to gaining influence with your boss, timing is equally important.

It's wise to wait for the right moment to speak up. A great idea at the wrong time will be received just the same as a bad idea. Of course, there are times when you must speak up, even if the timing doesn't seem ideal. The trick is knowing which is which.

Become a Go-To Player

Few things elevate a person above his or her peers the way becoming a go-to player does. Everyone admires go-to players and looks to them when the heat is on — not only their leaders, but also their followers and peers. Go-to players produce when the pressure is on. They are the people who find a way to make things happen no matter what.

If you adopt the positive tenacity of a go-to player and take every opportunity to make things happen, your leader will come to rely on you. If you have the willingness and the capacity to lift the load of your leaders when they need it, you will have influence with them.

Be Better Tomorrow Than You Are Today

Often, when people get to their desired destination, they stop striving to grow or improve.

There's certainly nothing wrong with the desire to progress in your career, but never try to "arrive." Instead, intend your journey to be open-ended. Most people have no idea how far they can go in life. They aim way too low. The key to personal development is being more growth oriented than goal oriented. There is no downside to making growth your goal. If you keep learning, you will be better tomorrow than you are today, and that can do many things for you. ■

For additional information on when to push your leader, go to: http://my.summary.com

The Principles 360-Degree Leaders Practice to Lead Across

To succeed as a 360-degree leader who leads peer-to-peer, you have to work at giving your colleagues reasons to respect and follow you. You can do that by helping your peers win. If you can help them win, you will not only help the organization, but also yourself.

Understand, Practice and Complete the Leadership Loop

If you want to gain influence and credibility with people working alongside you, don't try to take shortcuts or cheat the process. Instead, you have to show people that you care about them by taking an interest in them. Make an effort to get to know them as individuals. You should also strive to see others' unique experiences and skills as resources and try to learn from them.

When you go out of your way to add value to your peers, they understand that you really want them to win with no hidden agenda of your own. Affirm them by praising their strengths and acknowledging their accomplishments.

Put Completing Fellow Leaders Ahead of Competing With Them

In healthy working environments, there is both competition and teamwork. The issue is to know when each is appropriate. When it comes to your teammates, you want to compete in such a way that instead of compet-

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The Principles 360-Degree Leaders Practice to Lead Across

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ing with them, you are completing them.

Winning at all costs will cost you when it comes to your peers. If your goal is to beat your peers, then you will never be able to lead across with them. How do you balance competing and completing? First, acknowledge your natural desire to compete and channel it in a positive way. Embrace healthy competition. The whole goal of healthy competition is to leverage it for the corporate win.

Be a Friend

We often consider ourselves to be many things to the people who work alongside us — co-workers, teammates, contributors, competitors — but we often forget to be the one thing that every person wants: a friend. Poet Ralph Waldo Emerson wrote, "The glory of friendship is not in the outstretched hand, nor the kindly smile, nor the joy of companionship; it is in the spiritual inspiration that comes to one when he discovers that someone else believes in him and is willing to trust him."

A great approach to friendship at work is to make it your goal to be a friend, not to find a friend. As you reach out to your co-workers, listen, find common ground not related to work, be available beyond business hours, have a sense of humor, and tell the truth when others don't.

Avoid Office Politics

Playing politics is changing who you are or what you normally do to gain an advantage with whomever currently has power. In work environments, this may mean sucking up to the boss, constantly changing positions to get on the winning side, or using people for personal gain without regard for how it affects them. Political people are fickle and opportunistic, doing what's expedient in the moment to win, regardless of what's best for their peers, their employees or the organization.

In the long run, integrity, consistency and productivity always pay off — in better teamwork and a clear conscience. To avoid office politics, avoid gossip; stay away from petty arguments; stand up for what's right, not for what's popular; look at all sides of the issue; don't protect your turf; and say what you mean and mean what you say.

Expand Your Circle of Acquaintances

If you want to expand your influence, you have to expand your circle of acquaintances.

Expanding your circle of acquaintances helps you improve, exposes you to new ideas, and prompts you to see things from a different point of view, which will help you generate new ideas of your own. It will help you to learn new working methods and pick up additional skills. And it will help you to become more innovative. Expanding your circle also expands your network, putting you into contact with more people and giving you potential access to their networks.

Let the Best Idea Win

Leaders in the middle of the organization who help to surface good ideas are creating what an organization needs most. They do that by producing synergy among their peers. And they will develop influence with their peers because when they are present, they make the whole team better.

To generate good ideas, 360-degree leaders listen to all ideas and never settle for just one idea. They also look in unusual places for ideas. Don't let the personality of someone with whom you work cause you to lose sight of the greater purpose, which is to add value to the team and advance the organization. If that means listening to the ideas of people with whom you have no chemistry, or worse, a difficult history, so be it. A 360-degree leader protects creative people and their ideas.

Don't Pretend You're Perfect

Since nobody is perfect, we need to quit pretending. People who are real, who are genuine concerning their weaknesses as well as their strengths, draw others to them. They engender trust. They are approachable. And they are a breath of fresh air in an environment where others are scrambling to reach the top by trying to look good. To "get real," admit your faults, ask for advice, worry less about what others think, be open to learning from others, and put away pride and pretense. ■

The Principles 360-Degree Leaders Practice to Lead Down

What makes 360-degree leaders unique — and so effective — is that they take the time and effort to earn influence with their followers just as they do with those over whom they have no authority.

As a 360-degree leader, when you lead down, you are doing more than just getting people to do what you want. You are finding out who they are, helping them to discover and reach their potential, showing the way by becoming a model they can follow, helping them become a part of something bigger than they could create on their own, and rewarding them for being contributors on the team.

Walk Slowly Through the Halls

One of the best ways to stay connected to your people and keep track of how they are doing is to approach the task informally as you move among them. To connect with people, you travel at their speed. Express that you care and create a healthy balance of personal and professional interest. Professional interest shows that you have

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The Principles 360-Degree Leaders Practice to Lead Down

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the desire to help them. That is something all good leaders share. Personal interest goes deeper — it shows your heart. When you take interest in your people as human beings, you need to be sure not to cross the line. There is a point at which interest becomes inappropriate.

See Everyone as a '10'

Three-hundred-and-sixty-degree leaders get more out of their people because they think more of their people. They respect and value them and, as a result, their people want to follow them. The positive, uplifting attitude that they bring to leadership creates a positive working environment where everyone on the team has a place and purpose, and where everyone shares in the win.

To shine in this area, see people as they can become. Let them borrow your belief in them. Catch them doing something right. Give them the benefit of the doubt. And understand that people usually rise to the leader's expectations.

Begin today to see and lead people as they can be, not as they are, and you will be amazed by how they respond to you. Not only will your relationship with them improve and their productivity increase, but you also will help them rise to their potential.

Develop Each Team Member as a Person

There is much more to good leadership than just getting the job done. Getting the job done makes you a success. Getting the job done through others makes you a leader. But developing people while helping them get the job done at the highest level makes you an exceptional leader.

In order to develop your staff, you need to keep growing yourself. Understand that development is a long-term process. Development is based on the needs of your people: You give them what they need in order to become better people. To do that well, you need to know people's dreams and desires.

Take responsibility for conforming your leadership style to what your people need, not expecting them to adapt to you. As a leader, your first responsibility is to help others define the reality of who they are. Sometimes that means having difficult conversations. The thing you need to remember is that people will work through difficult things if they believe you want to work with them.

Place People in Their Strength Zones

When employees are continually asked to perform in an area of weakness, they become demoralized, they are less productive, and they eventually burn out.

Successful people find their own strength zones. Successful leaders find the strength zones of the people they lead. When you place individuals in their strength zones, you change people's lives for the better, their jobs become rewarding and fulfilling, and you help both the organization and yourself. The ability to help people find the best place means discovering their true strengths, giving them the right job, identifying the skills that they'll need, and providing world-class training.

Model the Behavior You Desire

Leaders set the tone and the pace for all the people working for them. Therefore, leaders need to be what they want to see. Your behavior determines the culture. Your attitude determines the atmosphere. Your values determine the decisions. If your decisions are not consistent with your values, they are always short-lived. Your investment determines the return. Your character determines the trust. Your work ethic determines the productivity. Your growth determines the potential.

Followers become like their leaders. They are influenced by their leaders' values. They adopt their working methods. They even emulate many of their quirks and habits. That's why we must always be aware of our own conduct before criticizing the people who work for us. If you don't like what your people are doing, first take a look at yourself.

Transfer the Vision

As a leader in the middle of the organization, you will be transferring what is primarily the vision of others. Leaders in the middle may not always be the inventors of the vision; they are almost always its interpreters.

To interpret the vision in a way that fires up people and sets them off in the right direction, include the following elements: clarity; connection of past, present and future; purpose; goals; a challenge; stories that make the vision relational and warm; and passion. If there is no passion in the picture, then your vision isn't transferable.

Reward for Results

Whatever actions leaders reward will be repeated. That is why it is very important to reward results and to do it the right way. To reward results most effectively, give praise publicly and privately, back up praise with money, don't reward everyone the same, give perks beyond pay, promote when possible, and remember that you get what you pay for. ■

The Value of 360-Degree Leaders

Becoming a 360-degree leader isn't easy. It takes much work and it doesn't happen overnight. But it is worth every bit of the effort.

As you seek to grow as a leader, you will not always succeed. You will not always be rewarded the way you should be. Your leaders may not listen to you at times.

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The Value of 360-Degree Leaders

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Your peers may ignore you. Your followers won't follow. And the battle may feel like it's uphill all the way.

Don't let that discourage you. By becoming a better leader, you add tremendous value to your organization. Everything rises and falls on leadership.

The following are five values that 360-degree leaders add to their organizations:

1. A leadership team is more effective than just one leader.

Organizations need to develop leadership teams at every level. A group of leaders working together is always more effective than one leader working alone. And for teams to develop at every level, they need leaders at every level.

As a leader in the middle, if you develop a team, you will be making your organization better and helping it to fulfill its vision. You will be adding value no matter where you serve in the organization. As you do that, keep in mind that visionary leaders are willing to hire people better than themselves, wise leaders shape their people into a team, secure leaders focus on others and want them to do well, experienced leaders listen to their teams, and productive leaders understand that one is too small a number to achieve greatness.

2. Leaders are needed at every level of the organization.

If a team starts out with a vision but without a leader, it is in trouble. Why? Because vision leaks. And without a leader, the vision will dissipate and the team will drift until it has no sense of direction. On the other hand, if a team starts out with a leader but without a vision, it will do fine because it will eventually have a vision. Leaders are always headed somewhere. They have vision, and that vision gives not only them direction but it gives their people direction.

Without a leader, decisions are delayed, agendas are multiplied, conflicts are extended and morale is low. Without a leader, production is low and success is difficult.

3. Leading successfully at one level is a qualifier for leading at the next level.

Growing organizations are always looking for good people to step up to the next level and lead. To find out if a person is qualified to make the jump, they look at that person's track record in his or her current position. Leadership is a journey that starts where you are, not where you want to be. Great responsibilities come only after handling small ones well.

4. Good leaders in the middle make better leaders at the top.

Good leaders maximize the performance of those on their team. They set direction. They inspire their people and help them work together. They get results.

Good leaders bring out the best, not only in their followers but also in other leaders. Good leaders raise the bar when it comes to performance and teamwork, and this often challenges other leaders in the organization to improve.

Leaders in the middle of an organization are closer to the people in the trenches than the leaders on top. As a result, they know more about what's going on. They understand the people who are doing the work and the issues they face. They also have greater influence at those lower levels than the top leaders.

Today's workers are tomorrow's leaders in the middle of the organization. And today's leaders in the middle will be tomorrow's leaders at the top. While you function as a 360-degree leader in the middle of the organization, if you keep growing you will probably get your opportunity to become a top leader. But at the same time, you need to be looking at the people working for you and thinking about how you can prepare them to eventually take your place in the middle.

5. Three-hundred-and-sixty-degree leaders possess qualities every organization needs.

The 360-degree leader possesses qualities that every organization wants to see in all of its employees, especially in its leaders. These include the following:

- **Adaptability:** Quickly adjusting to change.
- **Discernment:** Understanding the real issues.
- **Perspective:** Seeing beyond your own vantage point.
- **Communication:** Linking to all levels of the organization.
- **Security:** Finding identity in self, not the position.
- **Servanthood:** Doing whatever it takes.
- **Resourcefulness:** Finding creative ways to make things happen.
- **Maturity:** Putting the team before oneself.
- **Endurance:** Remaining consistent in character and competence over the long haul.
- **Countability:** Being able to be counted on when it counts. ■

Soundview Recommended Reading List

If you liked *The 360 Degree Leader*, you'll also like:

1. ***Winning with People*** **by John C. Maxwell.** Maxwell describes how anyone can improve his or her relationship skills.
2. ***Winners Never Cheat*** **by Jon M. Huntsman.** Huntsman presents the principled lessons he has learned and followed throughout his lifetime and explains how business can be done ethically.
3. ***Primal Leadership*** **by Daniel Goleman, Richard Boyatzis and Annie McKee.** The authors describe how managers and executives can use self-management and empathy to become emotionally intelligent leaders.
4. ***The Book of Leadership Wisdom*** **by Peter Krass.** Krass has compiled the leadership wisdom of the business leaders of yesterday and today, including Harold Geneen, J. Paul Getty, Robert Haas, Katherine Graham, John Patterson and Ray Kroc.
5. ***Leadership*** **by Rudolph W. Giuliani.** Giuliani presents leadership principles and strategies using stories from his long history as a leader, and describes the results that great leadership can attain.

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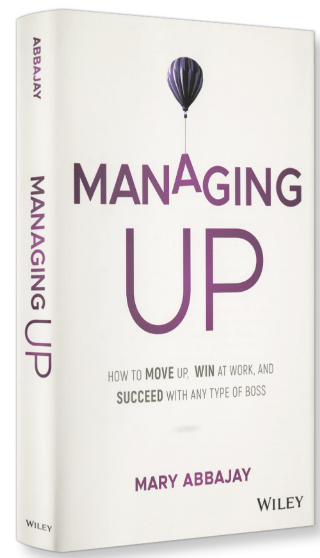
Executive Book Summaries®

Leadership

Managing Up

How to Move Up, Win at Work and Succeed With Any Type of Boss



by Mary Abbajay

THE SUMMARY IN BRIEF

Managing Up is your guide to the most valuable "soft skill" your career has ever seen. It's not about sucking up or brownnosing; it's about figuring out who you are, who your boss is and finding where you meet. It's about building real relationships with people who have influence over your career.

Author Mary Abbajay helps you build the sort of relationships that foster more communication, collaboration, cooperation and understanding between people at different levels of power, with a variety of perspectives and skills. This type of bridge-building strengthens your reputation for effectiveness and fit, so you can start skipping rungs on the ladder as you build a strong, successful career.

Real-world strategies give you a set of actionable steps, supplemented by expert advice from a top leadership consultant that helps you get on track to advancement. It's never too early or too late to start adjusting your alignment. *Managing Up* is your personal manual for building this vital skill so you can begin building your best future.

IN THIS SUMMARY, YOU WILL LEARN:

- Why learning to follow is a crucial skill.
- To assess yourself and your willingness to manage up.
- Skills to manage both introverts and extroverts.
- Four common workstyle personalities and how to manage them.
- Strategies to identify and manage the top 10 difficult types of bosses.

CONTENTS

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THE COMPLETE SUMMARY: **MANAGING UP**

by Mary Abbajay

The author: Mary Abbajay is an acclaimed public speaker, organizational consultant and corporate trainer. She is the president and founder of Careerstone Group, a professional development company that delivers leading talent and organizational development solutions to Fortune 500 companies, government agencies and nonprofits. She is passionate about helping organizations create productive, positive workplaces where organizations and individuals can flourish.

Managing Up: How to Move Up, Win at Work and Succeed With Any Type of Boss by Mary Abbajay, copyright © 2018 by Careerstone Group, LLC, has been summarized by permission of the publisher, John Wiley & Sons, Inc. 224 pages, $28, ISBN 978-1-1194-3668-3.

Introduction

The number-one reason people quit their jobs is still because of their boss. Year after year, studies show that the most common reason people leave their employer is due to having a bad boss or having a bad relationship with their boss.

Could there really be so many bad bosses out there? Or is it that we just don't know how to deal with difficult bosses? Could it be that we have failed to highlight and teach a far more important strategy — how to manage those who manage us?

While there are thousands of books (and TED talks, conferences, YouTube videos, etc.) on how to lead and manage downward, there is very little out there on a far, far more important skill — how to manage up. In other words, how to be a successful follower.

In America, we love-love-love leaders. We talk incessantly about leadership. We preach it, we teach it, we hit everyone over the head with it. We are obsessed with it. But in the real world, where most of us actually live and work, we need to know how to follow, too.

While we might resist the notion of being a follower, the truth is that the majority of us spend more of our working time following than leading. Even a CEO must be a follower, too. Everybody has a boss.

The real world of work requires close integration of leaders and followers. It requires cooperation and collaboration across hierarchies. It's time for us to learn how to be empowered followers, to take an active role in managing our careers, ourselves, our bosses and our experience.

It's time to learn to manage up.

Stop Complaining and Start Winning

Managing Up Is the Key to Your Success

Managing up is not about brownnosing, sucking up or becoming a sycophant. Managing up is about consciously and deliberatively developing and maintaining effective relationships with supervisors, bosses and other people above you in the chain of command. It is a deliberate effort to increase cooperation and collaboration in a relationship between individuals who often have different perspectives and uneven power levels.

Managing up is about *you* taking charge of *your* workplace experience. Here's why it's the key to your success.

Your boss matters. Establishing strong, productive working relationships is the single most effective way to accelerate success in any organization.

People are who they are. Your boss isn't going to change who she is or how she operates just because you would prefer her to be different. By understanding what makes them tick, you can adapt strategies to create a more robust relationship. You can't change how they deal with you, but you can change how you deal with them.

Your career matters. It is your career that will suffer if you and your boss have a bad relationship. Your role in the relationship is to provide your boss with results and performance. You must learn the essence of good "followership."

Choice is empowerment. When confronted with any difficult situation, you always have three choices: change the situation, leave the situation or accept and adapt to the situation.

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Time to Man Up

"Man up" is shorthand for managing up. To man up is to take responsibility for your choices, actions and attitudes. It's about doing what needs to be done while keeping your integrity and values intact.

To successfully man up, one must make a rigorous and honest analysis of the landscape of self and others. It's a simple three-step process:

1. **Assess your boss**. Before you begin to manage up, you need to have a good sense of what you are managing up to. What is your boss's workstyle personality? How does she interact with others? How does your boss like his information? How does she prefer to communicate? What are his priorities? What are her goals? What are his concerns, challenges and pressures? What is her experience? How did she get to where she is? What does she expect from you? What truly matters to her?

2. **Assess yourself**. Managing up requires being brutally honest with yourself in terms of who you are, what you want and what you need. It's also about understanding your contribution to the equation. Ask yourself, What is my workstyle personality? How do I like to interact with others? How do I prefer to communicate? What are my priorities and goals? What do I really need to operate at my best? What are my nonnegotiables? In what ways am I compatible with my boss? In what ways am I not? Is my boss really difficult or just difficult for me? What are my workplace strengths? What are my workplace weaknesses? Am I doing the job I was hired to do? Is my job a good fit for me?

3. **Assess your willingness to man up**. Managing up is about deploying adaptive strategies, so in order to work, you must be willing to adapt. Ask yourself, Do I like/love my job itself? Do I like/love my organization? Do I need this job (financially)? Do I need this job (for experience/career development)? Where am I on the scale of happiness/stress? Where is my boss on the scale of difficulty? What are the politics/organizational culture of my company? Is my boss a unicorn, or is his/her style pretty indicative of the overall management style? Am I willing to make changes to my behavior and/or attitude? Do I even want to try?

Managing up is like putting together a puzzle. Part of it is your boss, part of it is you and the rest of the pieces are the strategies you are willing or not willing to try.

Is Your Boss an Innie or an Outie?

One of the first and best things you can do to manage up is to understand whether your boss is an introvert (an Innie) or an extrovert (an Outie) and then adapt your communication and interaction style accordingly.

Extroversion and introversion are core personality preferences that have an impact on two very important workplace elements: source of energy and source of communication style. Building and maintaining a successful working relationship with your boss requires communicating effectively and making sure you are working with their source of energy and not against it.

Introversion and extroversion are personality traits and preferences that are characterized by the following:

- **Source of energy**: Introverts energize from internal stimuli. Extroverts energize from outside stimuli.
- **Direction of energy**. Introverts focus inward. Extroverts focus outward.
- **Response to external stimulation**. Extroverts respond well to higher levels of external stimulation, while introverts prefer less external stimulation.

It's best to think of introversion and extroversion as a continuum, meaning that everybody has a little of both and nobody is 100 percent of anything all the time.

The Outie boss leans towards extroversion. This means the boss readily shares information; sometimes over-shares information; regularly has team meetings; talks a lot at team meetings; can be long-winded; has an open-door policy (and means it); makes an effort to get to know you; feels warm and friendly; reveals his/her thought process; likes to move to action quickly; doesn't mind interruptions; and works frequently with others.

The Innie boss leans towards introversion. This means the boss shares minimal information; team meetings are infrequent; listens more than talks at meetings; can seem overly succinct or terse; often works alone with door closed; doesn't often shoot the breeze; does less relationship building; rarely walks around the office interacting; likes to reflect/process before taking action; is not a huge fan of brainstorming; is less open to interruptions; and you rarely know what they are thinking.

Workplace Styles: Assessing Your Boss's Workstyle Personality

Treat your boss how *he or she* likes to be treated, not necessarily how *you* like to be treated.

To manage up effectively, it's helpful to consider your boss's workstyle personality. Workstyle personality refers to the types of behaviors people tend to use when interacting with others at work. The following four styles are basic workstyle personalities.

The Advancer

Advancers are highly focused on tasks, achieving results and taking action. They are usually less concerned with building warm and fuzzy relationships. They are often perceived as confident, work oriented, efficient and demanding. And they love to be in charge.

Positive traits include being strong, decisive, determined, pragmatic, efficient, objective and businesslike. Potential negative traits including being aggressive, dictatorial, arrogant, insensitive, unbending, dominating and impatient.

Strategies to manage up:

Speed up! Your Advancer Boss is already five steps ahead of you before you even open your mouth. You must move and speak quickly to keep pace and get their attention. Prioritize what you want to say, and get to the point.

Avoid analysis paralysis. Advancers can easily become frustrated or annoyed by lengthy discussions over decisions. They are often willing to overlook minor imperfections in favor of speed, action and impact.

Bring solutions, not problems. When you identify a problem to your Advancer Boss, you must be able to clearly articulate three things: why it is a problem, how it is affecting progress and your idea for a solution.

Don't take it personally. For Advancers, workplace relationships are built through trust and respect, and trust and respect are built by getting stuff done. Their efforts at workplace relationship building are minimal.

The Energizer

Energizers are full of energy, personality and optimism. They are the ultimate "people" people. They are sociable, stimulating, enthusiastic and good at involving and motivating others. They are known for their enthusiasm, humor and risk taking. They are adept at selling their ideas to others.

Positive traits include being enthusiastic, imaginative, extroverted, persuasive, spontaneous and active. Potential negative traits include being superficial, immature, overbearing, impulsive, manipulative, unrealistic and undisciplined.

Strategies to manage up:

Build the relationship. Energizer Bosses are people-focused. Their currency in the workplace is relationships, so take the time to build one. It's time consuming but worth it.

Think fast, move fast. Energizers are fast moving and fast talking. Try your best to keep up.

Don't be an eeyore. If you are always pointing out the problems with ideas right off the bat, the Energizer Boss will quickly get frustrated with you. Even when faced with tough projects, try to be upbeat and optimistic.

Plan and execute. The Energizer Boss loves nothing more than people who can take ideas off his plate and bring them to fruition. The person who can take ideas, put a plan in place and execute that plan is the perfect yin to his yang. You will be recognized for your efforts.

Be creative. The Energizer Boss wants you to bring ideas and solutions, not problems. Stay on the lookout for potential areas for improvement, come up with a few possible ways to move forward, and then bring those ideas to the table.

The Evaluator

Evaluators prize quality, precision and accuracy. They tend to be organized and want all the facts (and history) before taking action or making a decision. Their preferred approach is to minimize risk by looking at all the options before making a decision. They are the quintessential "measure twice, cut once" type. Positive traits include being detailed, factual, logical, systematic, precise, questioning and quality oriented. Potential negative traits include being critical, negative, dogmatic, nitpicking, isolated and inflexible.

Strategies to manage up:

Be prepared. If you are passionate about a particular aspect of your work or you want to inject some creativity into a project, you need to do your homework before unloading all of your ideas on your boss. Without details and facts, your boss is going to be skeptical of anything new and dismiss it for lack of factual support.

Raise your standards. You probably already work very hard and want to produce quality work. Your Evaluator Boss likely has even higher standards. They are perfectionists, after all! Try your best to focus your energy on just a few projects at a time, and pay close attention to detail.

Focus on the facts. Remember that your Evaluator Boss uses data, not feelings or impulses, to make decisions. If you can show your boss that your request makes logical, rational sense, he is more willing to agree with you.

Impress with detail. While some bosses (like Advancers and Energizers) are easily bored with details, Evaluators thrive on them. Make sure you have command of the details and are prepared to demonstrate this knowledge at a moment's notice.

Manage your emotions. If you have a disagreement with your boss, give him details and facts to support your position in a calm, neutral way.

The Harmonizer

Harmonizers value people, relationships, stability and harmony. For harmonizers, the workplace climate is very important. They want to help people be successful and happy. Their favored approach is to get consensus and to mediate between disparate opinions because they believe that the best solution is one where everyone is "on board." Positive traits include being friendly, cooperative, loyal, diplomatic, understanding, helpful and agreeable. Potential negative traits include being soft, indecisive, gullible, too laid-back, cowardly and weak.

Strategies to manage up:

Focus on the team. Your boss is happiest when the team is working well together, and everyone is getting along. Do your part to establish and maintain harmony. If you have a conflict with someone, try to work directly with that person to resolve it.

Think about safety. Do you have a laundry list of ideas that go nowhere with your Harmonizer Boss? Try reframing them in terms of how a change could enhance safety or stability for you, your team or your customers. Your boss is focused on adhering to guidelines and keeping everyone safe (and happy).

Slow down. Harmonizer Bosses are often methodical people. If you barrage them with all your ideas at once or jump from one suggestion to the next, they will feel overwhelmed and shut down. Introduce one idea at a time and provide plenty of detail, steps to accomplish the task and how you will collaborate with others.

Find a mentor. Look for a mentor who is in the next stage of your career and has a different workstyle from your boss. This may be someone in a different department or a different company. It will help you rely less on your boss for professional development and can help you gain leadership skills that your boss may lack.

Difficult Bosses

If you stay in the workforce long enough, at some point you are going to experience a difficult boss. While this is unfortunate, it doesn't have to be the end of the world or a roadblock in your career. Learning to manage a difficult boss means being able to adopt a strategic perspective. It requires you to work a little harder, reflect a little more and make conscious choices.

Here are the top 10 difficult bosses you are likely to encounter in today's workforce:

- Micromanagers
- Ghosts
- Impulsives
- Narcissists
- Pushovers
- Best Friends
- Workaholics
- Incompetents
- Seagulls and Nitpickers
- The Truly Terrible: Psychos, Tyrants and Bullies

As you read through the following strategies, keep in mind the following perspectives:

Appreciate the opportunity and embrace the challenge; you will learn and grow more from a difficult boss than you ever will from a great or easy boss. The most important thing you will learn is what kind of leader you want to be when it is your turn.

Rather than label your boss a difficult person, try to identify the difficult behavior or behaviors. This will help you break down the problem into smaller, more manageable bits.

Assume positive intent. More often than not, many difficult boss behaviors result from a lack of self-awareness, a lack of emotional intelligence or a lack of basic managerial know-how, rather than from an evil intent.

All human behavior stems from some inner drive, want or need. The more you can figure out what the inner driver is, the better you can align your strategy to meet that need.

Finally, one of the most important questions you must ask yourself is, "Can I live with this behavior?" Do you want to make it work? Stay in a place of choice, because a place of choice is an empowered place.

1. The Micromanager

Nobody likes to be micromanaged. Having someone draped over your shoulder, constantly scrutinizing your every move is frustrating and soul crushing. Human beings have an innate neuropsychological need for some level of autonomy, so a boss who denies you this can be very difficult on both an emotional level and a workplace engagement level. Micromanagers who dictate and control your every move prevent you from exercising independent thought, creative problem solving and risk taking — all things that lead to growth.

Strategies to manage up:

Do not resist. Instead, dig in and manage up. Stop being surprised by this behavior. The truth about overcoming this managerial dysfunction is that it requires you to do more in the short run in order to gain more in the long run.

Develop trust. Much of micromanaging is based on fear, so you must develop trust with your boss. Your boss must trust your judgment, your ability to meet her goals and expectations, and your ability to consistently deliver quality work.

Deliver high-quality work every time. Double- and triple-check everything you do before giving it to your boss. Learn what markers of quality your boss wants/needs and her preferences.

2. The Hands-Off, Absentee, Ghost Boss

There are several types of hands-off bosses and many reasons why they ghost. The hands-off boss takes pride in being a macro-manager by delegating and empowering. The too-busy boss may want to provide guidance and support but can't seem to carve out the time. The apathetic boss not only doesn't show up, he doesn't really care. The technical expert is the boss who has the time but not the inclination to manage you

Strategies to manage up:

Do your job. It sounds simplistic, but it can be easy to veer off course when someone isn't supervising or guiding you. As tempting as it may be, resist the urge to pick and choose your work or take long lunches every day.

Build strong team relationships. Do everything you can to support the team and encourage strong team relationships and communication. You can turn yourselves into a self-directed team, which is a team that effectively combines their different skills and talents to work without the usual managerial supervision toward a common purpose or goal.

Find a mentor. Build other mentoring and coaching relationships in your organization and industry. Not only will this help you grow professionally, but it will also help you build a network of resources to help you solve problems and find answers.

3. The Narcissist

One of the most dreaded and difficult bosses to deal with is the Narcissist. Narcissist Bosses have an exaggerated sense of their importance and their entitlement. They care more about their success and self-promotion than they do about the organization or their people. They have an unrelenting need for admiration, praise and ego-stroking. They are quick to take credit for everything and even quicker to place blame on others. The Narcissist is incapable of self-reflection or acknowledging failures.

Thriving under a Narcissist is difficult, which means surviving a Narcissist is often the best option.

Strategies to manage up:

Assess the upside. Is it worth it? Many Narcissists have built huge empires and have blazed trails in new industries. If you are able to navigate the difficulties of the Narcissist Boss, there may be positive payoffs in terms of career success, experience and professional connections.

Protect your self-esteem. When working for a Narcissist, it is important that you don't take her behavior personally. Narcissists' demeaning and demanding behavior is who they are. Do whatever you can to compartmentalize their behavior. Protect your soul.

Get out. Narcissism, like any other personality trait, is a spectrum. Mild or even medium-level narcissism might be manageable. But if you find yourself working for an extreme Narcissist, the best advice is to get out.

4. The Impulsive Boss

Most human beings are wired to seek stability, certainty and homeostasis, so working for a boss who creates chaos and uncertainty can be very challenging. There are multiple reasons that your boss may be impulsive. Some are easily bored, some love change, some are desperately trying to make their mark and some are just incapable of sustained focus.

Strategies to manage up:

Appreciate the intention, and reshape the energy. Impulsive Bosses are often trying to make a positive impact. They probably want to do good and meaningful things; they just may not know how. Try to think of this behavior as a positive energy force that you have to learn to reshape into something useful.

Be open-minded. Don't become so resistant or annoyed by working for an Impulsive Boss that you close yourself off to innovation and good ideas. If your boss has a track record of impulsiveness leading to some successes, then your best strategy may be to buckle up and go along for the ride.

Recap and keep track. Shifting direction is what Impulsive Bosses do best, so they have a tendency to lose track of decisions, priorities, projects and goals. Take responsibility for recapping conversations, project announcements, priorities, assignments, etc. Put them in writing. Recapping helps to focus, clarify and confirm. It also provides cover.

5. The Pushover

Pushover Bosses' inability to take a stand or to have the courage of their convictions can be extremely detrimental to organizational productivity and positivity. Pushovers can't stick to a decision. They allow employees to walk all over them, and they never have your back. Because the Pushover rarely holds employees accountable, the ones who suffer the most are the high-performers, who quickly become frustrated with the lack of direction and the refusal to hold low-performing employees accountable.

Strategies to manage up:

Get to know them. Knowing their history, experience and personality will help you determine how best to navigate them. If they lack confidence because they are new managers, be sure to encourage and support them when they make good decisions. If they are insecure because they are new to the organization, help them understand how things work at your company.

Seek constructive feedback elsewhere. The Pushover is not going to give you any useful or constructive feedback. Look to other high-performing colleagues or mentors to help with your professional growth and development.

Fill the vacuum. A Pushover Boss leaves a power vacuum. Look for ways to fill it (using your powers for good, of course). Take some calculated risks. Look for opportunities to make decisions. Look for ways to proactively solve organizational problems and fill needs.

6. The BFF Boss

There is a big difference between being *friendly* with your boss and being *friends* with your boss. Remember that your boss is your boss first and your friend second. He doesn't love you unconditionally — as a friend would. He loves you conditionally — as long as you perform and give him what he wants or needs.

Strategies to manage up:

Be friendly but not best friends. It's a fine line that you'll have to walk with the boss who wants to be BFFs. You *do* want to engage in friendly conversation and show interest in her life. While getting to know your boss as a person (and vice versa) will help build trust, never forget that it's a slippery slope.

Get busy. While you should accept the occasional invitation to socialize with your boss, you want to limit this so as to avoid crossing the threshold from friendly to BFF. If your boss constantly asks you to go to lunch, have coffee, do happy hour, hang out or talk on the weekends, then you need to get busy with other commitments, real or imagined. Decline with kindness.

Mind the social media. Be careful about including your boss in your social media outlets. Facebook, Instagram, Twitter and the like are potential career land mines. Weigh the pros and cons carefully before accepting the invitation from your boss to follow your feed. Or better yet, let your boss know that you would prefer to connect with him on LinkedIn.

7. The Workaholic

Workaholic Bosses are everywhere. They "live to work" and often expect (and usually) favor those who share their appetite and zeal for this "all-in" work mentality. This "live to work" mentality can be exhilarating and exciting. However, working for a Workaholic can be extremely stressful, overly consuming and downright damaging to your physical, mental and emotional health.

Strategies to manage up:

Isolate the issue. Is it the pace of the workload? The amount of work on your plate? The level of incessant urgency? The number of hours required or expected? Whatever it is, make sure you are clear about where you are struggling.

Align your boundaries with their expectations. It's okay to set boundaries with your Workaholic Boss. Don't be passive-aggressive. Verbalize your needs while still expressing dedication to the job and a desire to meet your boss's expectations.

Decide what you really want and act accordingly. The bottom line is that if you want work-life balance or if you are a live-to-work person, then don't expect to succeed in an organization, profession or industry where workaholism is the path to success. Choose a profession, organization or industry that better suits your life plan.

8. The Incompetent

Organizations love to promote people for technical skills instead of managerial skills. This often creates problems when the technical expert turns out to be a totally incompetent manager. The incompetent boss avoids decisions, prefers inaction, makes bad choices, passes the work and hires the wrong people.

Strategies to manage up:

Diagnose the disorder. Is your boss an Incompetent or a Fraud? Incompetents are often good people who just lack the skills or sensibilities needed for success. Frauds talk their way into positions for which they are not qualified. Try to figure out which one you are working for as it will help you decide if you want to manage up.

Check yourself. Before labeling your boss an Incompetent, take a good look to make sure your judgment is sound and not coming from jealousy, spite or ignorance.

Show them the way. If you suspect that your Incompetent just lacks the experience or confidence, then show her the way. Instead of approaching your boss with disdain and derision, approach with compassion.

Step up, compensate and cover. Become your boss's best asset. Offer to take more responsibility and projects.

9. The Nitpickers and Seagulls

Nitpickers love to, well, nitpick. Nothing is ever perfect enough. They dive into the most miniscule details. Instead of praising (or even acknowledging) the good parts of your work, they focus on the one error they find.

Strategies to manage up:

Learn what they like. In order to please Nitpickers, you need to learn what pleases them. Pay attention to what they nitpick over. Learn their style and preferences. Don't guess. Ask.

Seagulls swoop, and there are actually two types of Seagulls: poopers and poachers. The pooper Seagulls are those who swoop in at the last minute (or at the first sign of trouble), poop on everything and then swoop out. They make lots of noise, create a big mess and leave it to the team to clean up. The second type of Seagull, the poacher, is the boss who assigns you a project and then, when you are almost done, swoops in and poaches it for herself.

Anticipate the swoop. If you have a Seagull Boss, don't let the swoop surprise you. If your boss is a poacher, then pay attention to the types of projects she likes to poach. There is usually a pattern. The more you can anticipate the swoop, the less jarring it will be when it happens.

10. The Truly Terrible — Psycho Crazy Bully Tyrannical Screaming Egomaniacs

The Truly Terrible are everywhere. These are the bosses who are not just difficult to deal with but are truly psycho, crazy, bullying, tyrannical, screaming egomaniacs. These are the bosses who use dominance, power and control to lead. These are the bosses who are emotional (and sometimes physical) abusers. These are the bosses who are unyielding control freaks, blamers, manipulators and tyrants. They thrive on intimidating, bullying, humiliating and browbeating their staff.

No one can work for a psycho, crazy, bully, tyrannical, screaming, egomaniac boss long term and thrive. The following strategies are designed to give you time to look for a better (or just different) job.

Strategies to manage up:

Protect your psyche. This is probably the most important thing you can do. At the beginning of every day, imagine you are putting on a golden shield or force field around your soul. This golden shield needs to keep you from internalizing the behaviors and impact. Visualize your force field or shield blocking your boss's poison arrows. It sounds flaky, but it really works.

Plan your exit. You should start planning your exit as soon as possible. Get your résumé updated. Activate your network. Search out other opportunities both within and outside your organization.

Document everything. It's important to keep a paper trail of your boss's abuse, in case you do decide to go to HR or seek legal recourse.

It's Okay to Quit

While sticking things out is a noble and often useful tenet, there are times when quitting is and should be the best course of action.

Signs it's time to quit include, you wake up miserable every day and dread going to work; you feel unsafe at work; your stress level is permeating your entire life; you've tried to make it work, and nothing makes it work.

Once you make the decision to quit, Get your ducks in a row — get your personal belongings together, gather any company equipment and know what they owe you. Give proper notice, and do not burn bridges. Be as professional and respectful as possible, and be gracious in the exit interview.

Managing up is good for you, good for your boss and good for the organization as a whole. Mastering this rare skill can mean the difference between surviving and truly thriving in your career.

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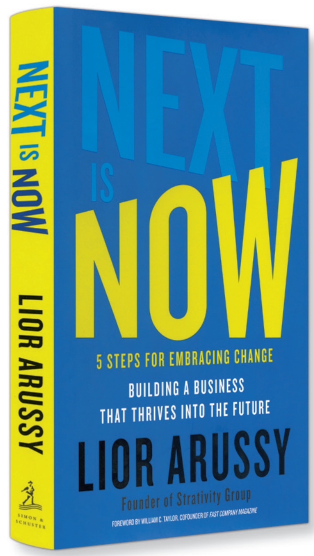
Management

Next Is Now

5 Steps for Embracing Change — Building a Business That Thrives Into the Future



by Lior Arussy

THE SUMMARY IN BRIEF

The old business model of adapting to change for continued success is dead. Change is the new normal. There are no more periods of stability and predictability. There is only change. This continuous upheaval can undercut morale, decrease productivity and decimate profits, or it can be a game-changing opportunity.

A leading authority on customer-centric business transformation, Lior Arussy illuminates the path to opportunity. In *Next Is Now,* he helps corporate leaders and their employees view change as an opportunity to become invested, drive that change, and achieve more success and job satisfaction than if change were simply implemented from the top down.

Based on his experience working one-on-one with major corporate clients, Arussy shares his five-step Future Ready Impact program and guides change-impacted employees and business owners from a victim mentality to one of participation and ownership. For organizations seeking to thrive in the drastic, continual change that is now their everyday reality, *Next Is Now* offers groundbreaking, essential guidance.

IN THIS SUMMARY, YOU WILL LEARN:

- Why we fear and resist change and how to overcome those fears.
- To find your core cause and use it to ride the waves of change.
- A five-step process for not just managing but thriving in change.
- How to lead change resilience.

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THE COMPLETE SUMMARY: **NEXT IS NOW**

by Lior Arussy

The author: Lior Arussy is the founder of Strativity Group and is one of the world's leading authorities on customer experience, culture design and customer-centric transformation. Many of the world's top brands work with him to drive successful change efforts: Mercedes-Benz, Royal Caribbean, Thomson Reuters, HSBC, E.ON, Pizza Hut, FedEx, Walmart, the *New York Times* and Johnson & Johnson, among many others. He is the author of seven books, has written more than 500 articles for publications around the world and has been featured in a multitude of magazines and media outlets.

From *Next Is Now: 5 Steps for Embracing Change — Building a Business that Thrives into the Future* by Lior Arussy. © 2018 by Lior Arussy. Reprinted by permission of Simon & Schuster, Inc. 256 pages, $27, ISBN 978-1-5011-7145-1.

Change Resilience

Entire industries are disappearing and undergoing fundamental changes at a pace we have never encountered before. The music business was altered forever with the creation of iTunes and streaming services. The automobile industry is starting to feel the pinch from ride-sharing companies like Zipcar. Banking is now done online with a slew of new financial empowerment tools that turn every millennial into an educated banker. Travel agents? A distant, fading memory.

Our natural reaction to all of this change is resistance. And the more change thrown at us, the greater our resistance.

If we are not future ready, we reject it. But the price of our aversion to change is a loss of marketplace relevance. It hinders our ability to continue to make an impact on a world that's evolving faster than ever before.

If employees are emotionally ready for change, the chance that a new strategy will succeed is exponentially higher.

The human body can only handle so much change — and the same is true of an organization made up of large groups of human beings. So whether you're leading a change at your organization or being asked to take part in one, take heart: In this approach, we start by remembering everything that doesn't change.

We do this by identifying our "core cause"— our individual or organizational responsibilities, our mission, our values. Your core cause is a bridge that stretches from your past or your company's earliest days into the future. If your connection to your core cause is strong enough, you'll be supported the whole way.

Defining Your Core Cause

Your core cause is the reason you exist. The higher purpose that drives you. It is usually defined by the people you serve or who are enjoying the benefit of your efforts: How do your customers use your product or services? What does it empower or inspire them to do? How does it make their lives better or easier?

For teachers, a core cause might be to educate and inspire, not the tests and quizzes they give. For bankers, it is the creation of financial confidence among their clients, not the spreadsheets or formulas they use.

When you feel deeply connected to your core cause, specific tools and processes lose their power over you. The tools will always evolve. The core cause will not.

Fear of Change

People's responses to change have nothing to do with logic. We're hardwired to hold on to the Now instead of embracing the Next. After all, the Now is comforting and predictable. We do not want to leave this presumably safe, familiar place. It is reassuring and comforting. Losing it is like losing a piece of ourselves.

The Next, on the other hand, is hard. Why? In a word: *fear*. Anything that deviates from the status quo scares people. We reflexively resist new ideas and new ways of doing things because we cling to the past.

People will frequently express concerns about the future such as "What will it be like?" Such statements, however, are deceiving. If you attempt to address them, you will miss the deeper, underlying issues.

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Rebecca S. Clement, Publisher; **Sarah T. Dayton**, Editor in Chief; **Ashleigh Imus**, Senior Editor; **Kylie O'Connor,** Graphic Designer; **A. Imus**, Contributing Editor

Underneath every future-based fear, there are two deeper fears: fears rooted in the past and fears triggered by the challenge to one's identity. When people are stuck in the past, they struggle with how to contextualize their past performance with a need for change. They need to place their performance in a positive light before they can engage with the future-based fears.

Identity-based fear takes this a step deeper. Often people feel that the upcoming change is a threat to who they are and not just what they do. They struggle with more existential questions about the impact of the future on their values and how they define themselves. Addressing those deeper fears is essential to preparing for the future.

The Judgment of the Past

Sweden is rapidly becoming a cashless society. One in five transactions happens digitally, and cash payments amount to less than 2 percent of the value of all payments in the country. Retailers aren't required to accept physical currency and many don't, preferring payment by credit card or smartphone. Swedes can't even use cash to pay for public transportation and many other key services.

As a result, many Swedish banks no longer keep cash on hand or allow deposits. ATMs are vanishing rapidly. Most financial transactions of any kind are completed electronically, and the trend is only accelerating.

For a Swedish bank teller with decades of experience at the counter, cashless banking tells her, "You're useless." She will struggle to reconcile the hard work she has invested over the years with the shiny new technology that renders all of it obsolete. She will wrestle with accepting what is, to everyone else, an unambiguous improvement.

Typical change initiatives are so preoccupied with celebrating the future that they fail to recognize the importance of the past and those who labored to get the organization here. It is only when we respectfully acknowledge the significance of the past that we begin to get people unstuck. This requires proactive communication and a genuine understanding of the history of the organization leading up to the change.

If you're leading a change program at your organization, it's your job to make people comfortable by creating a meaningful transition between the past and the future. If you're an employee tasked with adapting to a new change, you have the opportunity to help your colleagues and customers embrace the change by demonstrating the connection between the past you've lived and the future you will build.

The Secret to Change Resilience: Engagement

If you're currently resisting a change, ask yourself, "Am I truly engaged with the process or its proposed outcome?" Be honest.

If you don't know the answer, here are some other questions to ask: "When asked to make a change, do I think creatively about how to approach it?" "If I'm driving the change at my organization, do I ask employees for their ideas?" "When charged with making a decision or solving a problem, would I prefer to defer to my managers so I'm not held responsible?" "Do I give my employees opportunities to solve problems related to change?"

Much like good customer service, creativity around change cannot be dictated from the top. Employees need to personally decide to change — and to think creatively about how to change. A paycheck only buys your employees' passive attendance — but compliance isn't enough. You need engagement.

In 2016, the consulting group Strativity launched a nationwide study of 30,183 adults, in an attempt to better understand employee engagement. The study found that when people are inspired to act, understand the need they are addressing for their customer, and have their role in making an impact clearly communicated, they are ready to make a difference.

In other words, people demonstrate the highest engagement not when their personal needs are being met but, rather, when they feel empowered to make an impact and help others. People in the study felt most engaged when they were doing something meaningful with a clear impact on a real human being.

An organization that provides its employees with the tools to make a real impact on people's lives is the company that will have the most engaged employees. Consider these three drivers of engagement:

- **Engagement Driver #1**: Give people the power to have an impact on someone else's life.
- **Engagement Driver #2**: Put customers at the center, and empower people to serve them.
- **Engagement Driver #3**: Give employees personal ownership of the strategy.

Whether you're being asked to embrace some new change at work or you're willingly embarking on a personal transformation, the same drivers apply. If you want the change to stick, ask yourself how it could benefit others.

Are You Future Ready?

Are you ready to embrace the unknown? To be proactive and stay ahead of the game? To own your destiny — and use your skills to help others?

The following five-step Future Ready Impact process was designed to help you get there — and to take your colleagues and your organizations with you. These five steps are designed to accelerate change and guide you to the next place you belong. They will empower you to be the authority of your life.

Step 1: Face It!

The first step in embracing change is getting honest with yourself about the reason for it: anything from industry trends and technology advancements to a changing customer base or environmental factors. Your challenge? Face the change squarely and objectively and decide your next step.

Facing the facts is difficult. Therefore, we wear different lenses when we face any data suggesting that change is needed. These lenses come in many different colors. None of them, unfortunately, are the ones we need: the colorless lenses that allow us to see clearly through to the mirror.

The blue lenses tell us the change is doomed from the start. Why bother changing? It won't help. The red lenses make us mad. The data must be wrong — it certainly contradicts what we believe to be true.

Pink lenses see the status quo as rose-colored, diminishing the intensity of the data and the sense of urgency. "I'm working on it already," we tell ourselves with a smile. "It's all good." The green lenses tell us change is too expensive. Staying the current course is the prudent financial approach.

The black lenses simply will not see anything. We know our job so well that we don't have to pay attention to industry news and trends. Just keep doing the same work, and everything will be fine.

Do you remember the Wells Fargo fake accounts fiasco of 2016? Employees at the bank created millions of fake accounts for real customers in order to boost their sales figures and make more money. This disaster resulted in the firing of 5,300 employees and eventually led to the resignation of the company's longtime CEO on October 12, 2016.

A case of denial on an astronomical scale. How could so many people see the facts and not address them? How could so many people believe they would get away with this? What were they planning to tell their customers about the fees they were charging for fake accounts?

We are not dealing with one rogue person here. This was an institutional approach. Their aggressive sales quotas — the green lenses — biased the judgment of 5,300 employees who were able to put their integrity aside and even risk their jobs to increase profits. For many people, our preoccupation with the here-and-now is enough to keep us oblivious to the inevitable change happening all around us.

What Would a New CEO Do?

That's the question Andy Grove, the legendary founder of Intel, would ask at critical strategic junctures: "What would a new CEO do?"

In his book *Only the Paranoid Survive*, he describes how this little game would help him look at problems with a fresh set of eyes — and without worrying about politics. He wanted to face the facts squarely and without any personal biases.

We can take a cue from Grove whether we're driving a change initiative, being asked to embrace a new tool or system, or approaching a change in our personal lives.

If you're a manager, put your employees in the CEO's seat. Let them face the same facts you've been given and reach their own conclusions. It is amazing what happens when instead of forcing employees to be passive recipients of change, you ask them to join you in analyzing harsh realities. Many initiatives fail because leaders don't take this step, giving employees a perfect excuse not to change. By putting employees in the driver's seat, on the other hand, you allow them to engage with the facts and reach their own conclusions.

As for those of you who've been asked to change or who are proactively diving into the Next, try imagining the advice you would give to someone seeking the same results. Pretend you have no emotional entanglement. As you consider the complexity of the problem before you, you will start to see a clear direction for the future. You will start to sense the urgency — and understand why a change is necessary.

Step 2: Analyze It!

Step 1 asked you to suspend your fears and emotions. Now, Step 2 asks you to turn them loose. Without understanding how your emotions are holding you back from changing, you cannot successfully move forward.

A rational decision alone will not turn you into a champion for change. Our emotions often make the choice about whether innovative strategies are adopted or not.

Emotions matter. They are the bloodline of change. Before developing new skills, we must develop emotional readiness.

Fear of Getting Hurt

When designing a cancer treatment center experience, it's important to consider every aspect — everything from the look of the waiting room to the amenities available in each treatment room. But you can design the most comfortable and soothing center in the world, and if the employees are not engaged, patients will feel no comfort.

When the subject of emotional engagement came up with nurses at the cancer treatment center Strativity had been asked to design, their reluctance to truly engage with patients was surprising. While they knew quite well the importance of connecting emotionally, they worked to maintain boundaries with patients whenever possible.

When asked about it, they explained it was a method of self-preservation. The pain their patients experienced — and the fact that some didn't make it — was incredibly difficult for the nurses. As a result, they were not willing to open up. They were afraid to get hurt. As one nurse put it so succinctly, "I do not want to go to any more funerals."

Many of them saw their patients' suffering and deaths as a sign of the nurses' inability to connect with them. Despite all their efforts, many patients didn't get better. Thanks to that deep emotional insight, Strativity decided upon an approach that addressed the nurses' frustration and sense of helplessness.

They began to design the patient experience as a journey, not as a destination, redefining the role of the nurse as a personal guide. No longer did nurses need to feel responsibility for "solving" the patient's illness. Instead, they could act as the patient's companion. By recognizing the nurses' distress and sense of impotence, a new approach to managing change was developed.

The results were phenomenal. The nurses felt a new sense of purpose and fulfillment. The patients' reaction to this authentic care was beyond wildest expectations. Some even got tattoos of the logo of the cancer treatment center in appreciation.

Change may be painful, but there's no use ignoring it. Addressing the root of the pain and fear often helps you come up with the right solution for everyone.

Here's another fear: FOMO — the fear of missing out. FOMO is a term that has gained popularity in recent years, especially on social media.

When it comes to exciting new changes in our world, a little bit of FOMO can actually drive us to overcome our fears and embrace change. If our doctor recommends a new treatment regime for managing a chronic disease, skipping it would mean giving up on our future, on everything from seeing new places to experiencing our children's growth. Ignoring the latest technologies may prevent us from communicating more effectively with our loved ones.

Every change brings with it a new promise, a promise we will most definitely miss if we do not adapt in a timely manner. You could miss out on a life experience or an opportunity to make an impact on the world. Is your fear worth missing out on something so important?

Step 3: Redefine It!

Now it's time to accelerate your commitment to change. Acknowledging our fears does not mean we should let them dictate our future. In this phase, we will bridge the gap between past and future. We will personalize the change and understand the role it plays in our life's journey. This phase enables us to view change as a continuation of — not a departure from — the past.

After attending a session focused on teaching frontline employees to think like their customers, John, a product manager, decided to take action. He approached his colleagues, more than 200 of them, and asked them a simple question: "Who do you work for?" John asked each colleague to write his or her answer on a piece of paper and hand it to him. They all complied without thinking too much of it. After all, the answer was clear.

For the most part the answers were consistent. Employees worked for management: the people who hired them, the managers they reported to, the ones who could fire them.

After reading all the answers, John shared the following insight: "One day, your direct supervisor will retire. You don't work for him. One day, the CEO will get another job elsewhere and leave you behind. You don't work for him. One day, the head of sales will win the lottery and move to Jamaica without as much as a backward glance. You don't work for him either. One day the shareholders will sell their stock and move their investments elsewhere. You don't work for them either. We all have one ultimate boss. It's our customer."

We often forget this simple yet invincible truth. No customer = no business = no job. It is as simple as that. If customers stop entering your store or visiting your website, the game is over.

Recognizing this is a critical step toward discovering your cause. You may not directly interact with customers every day in your line of work, but somewhere down the line there is a customer who needs you. Every job, every transaction has a customer. That person needs you to deliver to the best of your ability. The only way you will do so is if you recognize how much that customer needs you.

What's Your Core Cause?

It's time to identify your core cause and assess how it's connected to the change you're facing. The following two exercises will help you achieve this goal.

Exercise 1: Choose your cause. Imagine that you are free of any financial worries or obligations and have the opportunity to volunteer with the charity of your choice:

- Which charity would you choose? An organization dedicated to health-care reform? A mentoring program for kids? An environmental protection group?
- Why would you choose to volunteer there? Is it because you're attracted to manual labor, specialized work or fund-raising?
- How would you feel while volunteering there?
- What would you be known for at the charity? Would you be the comic relief, the one who always sees the silver lining, the person who wears his heart on his sleeve, the strategic thinker or the most dependable volunteer?

Exercise 2: Define your mission. Now use your answers from the previous questions to identify your mission. The previous exercise should focus your thinking and allow you to assess yourself in the most pure, unbiased, unrestricted way.

- What do you love? (your mission).
- Whom would you love to help? (your world).
- How would you like to impact them? (your skills and values).
- What future do you want to create for them? (your hope).

The answers to the above questions should allow you to answer the following questions: 1. What values define you? 2. How would you like to make an impact on the world?

Now that you know your cause, you are ready to redefine any change you face so that it aligns with who you are. Understanding how this change will affect the lives of your stakeholders and what your desired impact is will help you view change as a friend and not a foe.

Step 4: Grow It!

Now it's time to build your confidence in your ability to work or live the change effortlessly. To achieve this, we need to grow our skill sets.

During this step we will operationalize the cause that inspires us and apply it to our everyday activities, behaviors and interactions with customers. Operationalizing an idea means bringing it to life, making it real and relevant.

Change needs to be properly scaled — so we're going to start small by practicing our new behaviors in low-risk ways.

To make an impact, you first need to understand your customer. But this is not always easy. If you love music and you serve people who love music, you can relate. But the cardiologist who's never had a heart attack will never be able to fully understand what his patients are experiencing.

Operationalizing your commitment to change isn't just about adding in a new task here or there. Rather, it's about examining how you spend each day and determining where the new change will have an impact and how it will alter the way you perform. Here is a recommended process to "rehearse" the change:

1. Map your daily activities and responsibilities. What are you in charge of? How are you being measured? How do you fulfill your responsibilities? List all of your activities and the customers who benefit from them.

2. Identify the impact a change will have on your daily operations and activities. How will the change impact your activities? What will you have to do differently? What will stay the same? What might be eliminated altogether? What will the impact be on time available to you?

3. Visualize your new activities with the change. What will a typical day look like for you? How will it make you feel? How will it impact your customer? What does it do to the time available? What tools would you need to execute it? Draw a clear image of the newly delivered activities.

4. Create a step-by-step diagram of the new ideal state. What skills do you need to master? What behaviors should you adapt? What behaviors should you stop?

5. Develop a communication plan. Imagine you are communicating the change to your customers. How will you explain the need for it? How will you communicate the customer's role? How will you explain your future role? What will be your choice of words?

Let's look at a banker whose goal is to start operationalizing her job as the Creator of Customer Financial Security. Yes, the change she's grappling with is her bank's use of a new digital platform. But that doesn't change her role as someone whose job is to help customers feel like their financial lives are safe and secure.

We can actually rehearse how she can deliver the same exceptional service using a new set of tools: A customer arrives to discuss her unexpected divorce. Her husband has always managed their finances, and she is now left with no clue as to how to move forward. Her life as she knows it is in ruins, she's an emotional wreck and now her financial world is in an equally dismal state. What does she need right now?

The old banker would have responded that the customer needs a line of credit, a new credit card, maybe a new checking account — all of which the customer can apply for via the new digital channels. But the banker in touch with her core cause will recognize that the customer's real need is for clarity and support. She needs to regain control over her life. She needs to develop new financial understanding. Without an emotional readiness and a sense of control, no financial product is going to make a difference. What she needs right now is a sense of hope and reassurance that the loss and sense of destruction she feels in this moment will not last.

Thanks to digital platforms that can perform a lot of the banker's old tasks, she is liberated to spend more time providing comfort and understanding to this particular customer. She can guide the customer's next steps, helping her see which products will best suit her needs. Helping the customer create a budget and enlisting her in digital alerts that will enable her to manage her budget correctly will create the sense of control — and hope — that she currently lacks.

By fusing the power of digital tools and human empathy, the banker can create a lasting memory and a value her customer will not forget. At the end of the day, in her moment of truth, she was there for someone who needed her.

Step 5: Own It!

To own change, you need more than just determination. You need a plan with goals and milestones. You need to celebrate successes and create a process for learning and adapting to whatever new changes come your way.

Many people have a vision of success but have no plan to operationalize it. Others have the opposite problem: They take all the right steps but fail to recognize success when it arrives. They simply let it pass by without any sense of jubilation and accomplishment.

To be change-resilient, we must address both issues. How? By developing an "ecosystem of success"— a set of activities that will allow you to activate new behaviors and weave them into your life. Consider the following activities:

Visualize success. Start by painting a clear picture of success — then move backward to identify the steps to get there. What do you need to stop doing? What do you need to start doing? What steps are required to achieve this journey?

Create daily rituals. A passionate, authentic daily ritual will get you aligned and connected. Building a ritual requires confidence and practice. Such rituals remind us of our commitment, reinforce the rationale behind it and demonstrate that we are making progress. They should refocus your attention on your core cause and remind you of what you need to do differently to bring your commitment to life.

Plan to fail. We need to recognize the temptations, time pressures and inevitable obstacles, and accept them. We will fail on our journey. We can also forgive ourselves — as long as we know we are ready to get back on track. So plan to fail. Accept it. And keep going.

Capture the success stories. As you venture on the road to personal or professional transformation, you're going to achieve a number of quantitative objectives. But first you will experience qualitative progress. A qualitative result is a story about the impact you've created. These reaffirming stories build your character, confidence and commitment to continue on the journey toward transformation.

Daily experiments. One way to get yourself future ready is to start experimenting in different areas of your life. Push yourself — but do so gently. When was the last time you tried a new PowerPoint template? Animation? Or *any* new feature? As you see that you start reaching your goals, extend your boundaries bit by bit.

Solicit feedback. Ask people for honest feedback. Invite them to rate — and even coach. Most of us rate our own performance as above average and declare victory before it is achieved. Let others help you reflect more accurately and support your progress.

Celebrate success — reward yourself. Reward yourself for sticking to the change plan and making it this far. At every milestone, take some action to make success visible and celebrate it.

Leading Change Resilience

Let's focus on how to lead change. If you start making positive changes in your life, you can bet people will start asking how you did it. Here's your opportunity to think about how to scale your efforts so that you can help others live their core causes. This requires you to think about how the change will affect those around you and how to bring others on board to support your efforts.

Know your ecosystem. In the world of performing arts, Deborah Rutter is regarded as a true change agent. As the CEO of the John F. Kennedy Center for the Performing Arts, she is working to leverage its rich heritage while ensuring its continued relevance. Her first piece of advice? "Know your cultural ecosystem." In other words, change resilience ought to be developed based on what is natural to people and, therefore, intrinsic. Do not attempt to change who anyone is; rather, make sure your initiatives take into consideration their beliefs and values — and build from there.

The sum total of everyone's decisions. Leaders need to accept the fact that their role is not to decide but, rather, to empower decisions. After all, it is not the BIG decision made in the boardroom that matters much. It is the millions of small decisions employees make every day that activate the desired change in many ways.

Success isn't guaranteed. Transformation is, by definition, risky. You are attempting to do something you've never done. You don't know how it will work. That is part of the excitement and the fear. When you repeat something you've always done, on the other hand, that's safe. Unfortunately, it's also no longer special or distinctive. You can't have it both ways. If you want the excitement of the new, you must assume the fear of the unknown.

Nurturing employee engagement. As a leader, your main purpose is to help others reach new heights of performance. The more they achieve, the better your results will be. Consider the following techniques to create a culture of engagement:

- Set aspirational goals to motivate them. What is the next "exceptional" for them?
- Identify the tools they need to succeed, and empower them to accomplish their goals.
- Provide a safety net that allows them to feel comfortable to experiment and do things they've never done before.

Sharing impact with those working behind the scenes. If your organization does not serve customers directly or only provides back-office support, then sharing impact becomes even more critical. Use stories or customer testimonials to make the impact on customers clear to everyone at your organization. Every completed task should include a description of the impact it made on real people who live with the outcome of the team's work.

Do the human thing first. When you live by your core cause, doing the human thing first becomes almost as natural as breathing. Put people first, and the rest will follow. Employees who know that their organization puts people first will be more apt to act responsibly and proactively — even in the most challenging moments.

Proud to be here. Take a look around you. Are your people proud to be here? This does not mean just when you participate in a Habitat for Humanity project or during the alcohol-infused holiday party. This means on a day-to-day basis. Do they look happy? Are they sharing their work with pride? Do they see the connection their work has and the impact they are making? Pride is not a passive state of nirvana. It's active and it's powerful. It means empowering everyone to ask, "What's Next?"

Trust your conviction. Fear and doubts are a natural part of any transformation. Hold on to the cause and stay confident. As doubts try to creep in, recognize that the unknown aspect of transformation can be a source of excitement.

We all have the opportunity to start viewing change as a liberation. A world in which people stop changing is a world without progress. Our job as human beings is not to just accept the world the way it is but to build it as we want it to be.

APPENDIX 1 WORKSHEETS FOR CHANGE CASE STUDY

Step 1: Increase Urgency

- For change to happen, about a quarter of your employees must be convinced that change is necessary—now.
- You need to transform complacency into a sense of urgency for change to happen

(All notes for the first two sections of these worksheets come from *Leading Change, The Heart of Change, Increase Urgency*, and *Xceler*8 by John Kotter. Bolding is added to for emphasis.)

What Works

- Showing others the need for change with a compelling object that they can actually see, touch, and feel.
- Showing people valid and dramatic evidence from outside the organization that demonstrates that change is required.
- Looking constantly for cheap and easy ways to reduce complacency.
- Never underestimating how much complacency, fear, and anger exists, even in good organizations.

What Does Not Work

- Focusing exclusively on building a "**rational**" business case, getting top management. Approval and racing ahead while mostly ignoring all the feelings that are blocking change.
- Ignoring a lack of urgency and jumping immediately to **creating a vision** and strategy.
- Believing that without a crisis or burning platform you can go nowhere.
- Thinking that you can do little if you're not the headperson.

Good Questions to Ask

(All notes for this section of the study pages come from *Our Iceberg is Melting* & *Field Guide to Leading Change.*)

- Have we communicated the problem, issue, and change clearly to your colleagues?
- Who are the people in our community with the attitude and power to keep people from acknowledging or addressing the problem, issue, or change? What are they doing to undermine our efforts?
- Despite all efforts, is our community mostly concerned with "getting by" on what we have been doing or is it brutally clear to enough of use that we must change and do something, now?
- If asked today, what percentage of colleagues in our community, including the leaders, would agree that there is a major problem, missed opportunity, issue, change? Is it high enough?

Step 2: Build the Guiding Team

- Major transformations are often attributed to one significant person in the organization (the change agent).
- However, no person can single-handedly develop, communicate, and eliminate all the obstacles for initiating change.
- Change requires a **team of leaders**, not just a single individual.
-

What Works

- Showing enthusiasm and commitment (or helping someone do so) to help **draw the right people** into the group.
- Modeling the trust and teamwork needed in the group (or helping someone to do that).
- Structuring meeting formats for the guiding team so as to minimize frustration and increase trust.
- Putting your energy into Step 1 (raising urgency) if you cannot take on the Step 2 challenge and if the right people will not.

What Does Not Work

- Guiding change with weak task forces, single individuals, complex governance structures, or fragmented top teams.
- Not confronting the situation when momentum and entrenched power centers undermines the creation of the right group.
- Trying to leave out or work around the head of the unit to be changed because he or she is "hopeless."

Good Questions to Ask

- Have we assembled talent on our guiding team?
- Doesourguidingteamworkwelltogetherordotheyneedtodevelopasa"team"?
- Do we have colleagues with "egos as big as killer whales or even No Nos in our guiding team", eroding trust and energy?
- Is our guiding team working on project plans, budgets, etc., or are they thinking about the creation of a change vision and a strategy?

Step 3: Get The Right Vision

- Vision is essential for any change process to occur.
- It clarifies direction.
- It helps motivate people to take action that's not necessarily in their short-term interests.
- Without a shared sense of vision, people will be constantly battling over what to do.

What Works

- Trying to see—literally—possible futures.
- Visions that are so clear that they can be articulated in **one minute** or written up on one page.
- Visions that are **moving**—such as a commitment to serving people.
- Strategies that are bold enough to make bold visions a reality.
- Paying careful attention to the strategic question of how quickly to introduce change.

What Does Not Work

- Assuming that linear or logical plans and budgets alone adequately guide behaviour when you're trying to leap into the future.
- Overly analytic, financially based vision exercises.
- Visions of slashing costs, which can be emotionally depressing and anxiety creating.
- Giving people 54 logical reasons why they need to create strategies that are bolder than they have ever created before.

Good Questions to Ask

- Is our guiding team reaching out to others? Do they walk around to pick up ideas or are they sitting in meeting rooms?
- In our situation, is there a role model for change?
- Do we have a simple enough message for our change vision to be understood and remembered? Can we draw a sensible and appealing picture?
- Isourchangestrategyasetofsimpleenoughlogicalstepsofhowthisfuturecanbecreated, so that it has a chance to be understood and be remembered?

Step 4: Communicate For Buy-In

Effective communication is the key to mobilizing your work force behind a new vision. Principles for communicating the vision:

- Keep it simple.
- Use **metaphors** and **analogies.**
- Repeat, repeat, and repeat the message.
- Lead by example.
- Listen and be listened to.
- Use many different forums to spread the word.

What Works

- Keeping communication simple and **heartfelt**, not complex and **technocratic.**
- Doing your **homework before communicating**, especially to understand what people are feeling.
- Speaking to anxieties, confusion, anger, and distrust.
- Ridding communication channels of junk so that important messages can go through.
- Using new technologies to help people see the vision (intranet, satellites, etc.).

What Does Not Work

- Under communicating, that happens all the time.
- Speaking as though you are only transferring information.
- Accidentally fostering cynicism by not walking the talk.

Good Questions to Ask

- Is it important to remind our communities "Who we really are"? Who we serve?
- Can we tell an inspiring story?
- How do we keep the message in front of our community?
- If asked today, what's the percentage of members of our community who can see the new way and believe the idea has merit? Is it high enough?

Step 5: Empower Action

- Empower a broad base of people to take action by removing as many obstacles as possible.
- Create an organizational structure that supports change.
- Obtain the support of supervisors and managers.

What Works

- Finding individuals with change experience who can **bolster people's self- confidence** with "we won, you can too "anecdotes.
- **Recognition and reward systems** that inspire, promote optimism, and build self- confidence.
- **Feedbacks** that can help people make better vision-related decisions.
- **"Empowering"** disempowering managers by giving them new jobs that clearly show the need for change.

What Does Not Work

- Ignoring bosses who are seriously disempowering their subordinates.
- Solving the boss problem by taking away their power (making them mad and scared) and giving it to their subordinates.
- Trying to remove all the barriers at once.
- Giving in to your own pessimism and fears.

Good Questions to Ask

- Who are our "scouts"? Do we have enough capable scouts at volunteer? Who else would be thrilled by the challenge?
- Now that change starts to become real and obstacles build up, is there something that sucks confidence and attention away from our vision and strategy?
- Do we have a plan to deal with "crying kindergarteners, No No and No No's converts," the infighting among leadership team members?
- Which old rules that are in the way of making change happen need to be bent or abandoned?

Step 6: Create Short Term Wins

- Change takes time.
- Most employees will want to see some proof that their efforts are leading somewhere.
- Short-term wins offer this proof.
- Short-term wins also undermine cynics and resisters.
- Short-term wins give change leaders concrete data to test and refine their vision.

What Works

- Early wins that come fast.
- Wins that are as visible as possible to as many people as possible.
- Wins that penetrate emotional defences by being unambiguous.
- Wins that are meaningful to others—the more deeply meaningful the better.
- Early wins that **speak to powerful players** whose support you need and do not yet have.
- Wins that can be achieved cheaply and easily, even if they seem small compared with the grand vision.

What Does Not Work

- Launching **50 projects** all at once.
- Providing the first win too slowly.
- Stretching the truth.

Good Questions to Ask

- Have we planned for success–a pilot–or, something safe and not too demanding to win? Is there enough support for this to win?
- Have we communicated clearly that everyone can help?
- Can we organize the equivalent of a “tribute for our heroes” day that clearly communicates that we will prevail?
- Have we thought of publicly recognizing the contributions of our change heroes?

Step 7: Don't Let Up

- Urgency drops off when short-term performance rises.
- It's easy to declare victory too soon and become complacent.
- Provide time, resources, and access.
- Show courage and perseverance.
- Attack silos and difficult politics or you won't create lasting change.

"Deep into a transformation (change process) even if urgency remains high, even if people want to take on the big problems, and even if they succeed in generating waves of change, they can still fail because of exhaustion. They find they have to keep the organization running, which means doing all the old work. On top of that they have to handle additional work to create the future. So people are overwhelmed and eventually start to resent it. For many individuals, the situation can feel as if there is no solution—which isn't true."

"People are not machines. We need more than maintenance. We need the rejuvenation… Everyone engaged in a big effort to change…should probably have a banner above the mirror in his or her bathroom at home, a banner to be seen every morning and night that says 'dying will not help'."

What Works

- Aggressively ridding yourself of work that wears you down—tasks that were relevant in the past but not now, tasks that can be delegated.
- Looking constantly for ways to keep urgency up.
- Using new situations opportunistically to launch the next wave of change.
- **As always—show 'em, show 'em, show'em.**

What Does Not Work

- Developing a **rigid four-year plan** (be more opportunistic).
- Convincing yourself that you're done when you aren't.
- Convincing yourself that you can get the job done without confronting some of the more embedded bureaucratic and political behaviours.
- Working so hard you physically and emotionally collapse (or sacrifice your personal life).

Good Questions to Ask

- Have we raised the bar enough for our second wave "scouts"?
- Is the community ready for the move?
- Which meetings and other routines are irrelevant and can be eliminated to avoid exhausting ourselves along the way?
- Are we allowing urgency to sag? What else could we do to keep the momentum up?

Step 8: Make Change Stick

- In a change effort, culture comes last, not first.
- Use new employee orientation to reinforce change.
- Use the promotion process to strengthen norms in influential positions.
- Use the power of emotions to make the change stick.
- Eventually, the culture must support the change.

New employee orientations and the promotion process can reinforce change.

"In a change effort, culture comes last, not first. A culture truly changes only when a new way of operating has been shown to succeed over some minimum period of time. Trying to shift the norms and values before you have created the new way of operating does not work. The vision can talk of a new culture. You can create new behaviours that reflect a desired culture. But those new behaviours will not become norms; will not take hold, until the very end of the process."

What Works

- Not stopping at **Step 7**—it isn't over until the changes have roots.
- **Using new employee orientation** to compellingly show recruits what the organization really cares about.
- Using the promotions process to place people who act according to the new norms into
- Influential and visible positions.
- Tell the stories over and over about the new organization, what it does, and why it succeeds.
- Making absolutely sure you have the continuity of behaviour and results that help a new culture grows.

What Does Not Work

- Relying on a boss or a compensation scheme, or anything but culture, to hold a big change in place.
- Trying to **change culture** as the first step in the transformation process.

Good Questions to Ask

- How do we ensure success of the change by making it apart of the culture?
- What ways can we recruit and enculturate new members of our community in to the change? What else could we do to ensure people act in the new way despite the pull of tradition?
- Have we thought about succession? Have we made the necessary changes in our leadership team? Are those that drove change in the right spots to make it stick?
- How do we pass on the story of our change to the "next generation" in our community?

See, Feel, Change

See

Identify a problem, or a solution to a problem, in one stage of a change process, and then help people visualize this in a way that enables a helpful change in behaviour. Show people in a way that is as concrete as possible—touchable, fellable, and seeable—especially the latter. Show the problem or solution in an emotionally engaging, dramatic, vivid, and compelling way. Use live presentations, video, stories, physical environment, visible results, new demands placed on people, and old demands taken away. Give the show an afterburner via physical symbols that people see each day, stories that are told and retold, or ongoing role modeling.

Feel

The dramatic, vivid visualizations catch people's attention, reducing emotions that undermine a sensible change—feelings of anger, complacency, false pride, pessimism, confusion, panic, and cynicism. "Seeing" increases emotions that facilitate a needed change regarding some valid idea—feelings of passion, faith, trust, pride, urgency, hope (and fear, if quickly converted into any of the others).

Change

Different feelings—a change of heart—transform behaviour. The new behaviour helps groups and organizations effectively move through the either steps and leap into a prosperous future.

Change Case Study

How to use the Change Worksheets?

- First, move forward and scan quickly through the worksheets until the questions start to trigger your thinking and learning.
- Then work forward with your Change Project using the Change Worksheets to record your thoughts and feelings. Your team recorder will record key concepts and ideas on a flip chart for all members of your team to see. We will ask you to share your process and learning when you return to the larger group.

Your Leading Change Worksheets

Set the Stage

Step 1	Step 2
Sense of Urgency	**Guiding Team**

Decide What to Do

Step 3
Vision and Strategy

Make It Happen

Step 4	Step 5	Step 6	Step 7
Understanding & Buy-In	Broad Empowerment	Short-Term Wins	More Change Produced

Make It Stick

STEP 8
Anchored in Culture

OTHER READINGS

OTHER READINGS
"*Reach for the Rewards of Diversity*", by Executive Edge. *"Successful Onboarding",* by Mark A. Stein and Lilith Christiansen. *"The Future Workplace Experience",* by Jeanne C. Meister and Kevin J. Mulcahy. "*Making Strategy Work",* by Lawrence G. Hrebiniak.

Volume 07, Issue 06

Executive**EDGE**

Information and Skills You Need to Get Ahead

In This Issue...

Reach for the Rewards of Diversity

Consider Insider-Outsider Dynamics

Insider-outsider dynamics are born at the group level, not at the individual level, Mark Kaplan and Mason Donovan point out in ***The Inclusion Dividend.*** This isn't about individuals excluding other individuals. This is about inclusion or exclusion based on group identity.

When we are in an outsider group, we are much more likely to be aware of the difference. Barriers often emerge that are based on group membership. Ask an LGBT person who works for a company, "What is it like to be LGBT in this company?" and you will likely have a rich conversation about managing personal identity at work, deciding what to tell co-workers about life outside of work and balancing openness against potential risks.

Ask a heterosexual person, "What is it like to be heterosexual in this company?" and you will probably get a blank stare because it is the norm. Our different levels of awareness have huge implications for forging a path toward greater inclusion.

Being an insider or outsider produces a fundamentally different pattern of experience. Insider group membership generally creates a positive pattern of experience. For example, insiders are generally seen as the norm, given the benefit of doubt and assumed to deserve the position of leadership they have attained.

But "good" and "bad" can happen to us based on our group membership, not our individuality. It is about patterns. Think about a woman executive. It is possible that on her walk into work, she gets whistled at. Standing near a desk in the reception area, she is assumed to be a receptionist. When calling on a client, she is assumed to be subordinate to the male staff member accompanying her to the meeting. These patterns fundamentally shape our experiences and our perceptions.

Insiders can find it hard to talk about the impact of something they are not even aware of. For outsiders, there is a reluctance to acknowledge and focus on barriers they feel they have little control over. All too often, the conversation is not explored because of reluctance on both sides.

Being in an outsider group generally means having to understand and adjust to the insider group's way of thinking and doing. Obviously, there are many outsider group members who successfully adapt and assimilate.

What is the cost of depending upon exceptional individuals to adapt and change much of who they are in order to succeed? Are the benefits of diversity in innovation realized when individuals feel like they need to conform to the status quo?

The fundamental challenge is that outsider groups have more information about the dynamics and less power to change them. Insiders have less information and more power. This creates an obvious barrier to change.

Insider group members must learn about the difference and need to know about the business impact of exclusion. Exclusion or

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bias is often unintentional, and inclusion needs to be intentional.

Outsider groups will feel more empowered; insider groups will be more aware and engaged. This is what will begin to shift the dynamics.

Diversity Needs a Fluent Leader

When it comes to navigating across differences, research shows that goodwill and positive intent are not enough. In the absence of an adaptive, fluent leader at the helm to encourage different viewpoints, there is tremendous pressure for employees to fit into the existing leadership norms of the team, according to Jane Hyun and Audrey S. Lee in ***Flex: The New Playbook for Managing Across Differences.*** But employees may not thrive under this management approach, or they may resent the changes they are forced to make.

Over time, some will simply tire of constantly going out of their natural comfort zone to fit into the new culture and find an organization (or manager) that can tap into their strengths more readily. Consequently, they will underperform or leave.

A fluent leader accepts and is curious about potential differences across cultural, gender and generational lines. Instead of resorting to stereotypes to judge these differences, a fluent leader begins exploring and appreciating difference on an individual level.

Like someone fluent in many languages, a truly fluent leader is able to work and communicate effortlessly with many types of people who are different from him- or herself. Difference must be viewed as latent potential, not as a liability.

Fluent leaders have a good grasp of their own strengths, weaknesses and preferences. Additionally, they are able to quickly discern the preferences of others in order to know how to flex their style. This trait in action shows a leader's cultural competence and emotional intelligence.

Adaptability is a key component of fluent leadership, indicating an ability to adapt to stretch your styles and preferences and sometimes exercise other styles to better interact with others. Fluent leaders are not only able to admit their mistakes; they recast them as teachable moments and are able to adapt to shifting styles and circumstances.

Fluent leaders demonstrate unconditional positive regard (UPR), a term coined by psychologist Carl Rogers that signifies the unconditional acceptance of others, even in their vulnerable and weakest moments.

Without realizing it, your open-door policy might actually be shutting a fair number of your employees out. Before you can investigate the motivations for their behavior, you must embrace the fact that we often work with individuals who view the world through an entirely different lens — not better or worse, just different.

It's critical that you don't judge their behavior as wrong and first simply allow yourself to see the difference.

Once you've noticed who's not in the room or who's left out of the conversation, you need to start investigating why they aren't there. For varying reasons, different employees may not feel that they have built sufficient rapport with their bosses to just "drop by." They may feel it's their duty to solve problems on their own and spare you the aggravation and potential embarrassment. Try to understand whether the difference is cultural, rooted in gender or a generational gap.

People must be trained to work with difference, and the importance of diverse ideas and process must be cultivated in order for a company to spur creative thinking. In many ways, innovation requires people to manage up, down and across peers to work through differences, be receptive to good ideas no matter where they originate and encourage risk taking.

We must become willing to go outside our own comfort zones and extend an invitation toward those different from us to meet in the middle.

Become Culturally Intelligent

What ultimately matters is not the source of diversity but the different values and perspectives that emerge from it, David Livermore points out in ***Driven by Difference.*** The differences that most strongly influence innovation are the varied approaches for communicating, planning and executing tasks. How do you align the values, expectations and work styles of four generations, dozens of nationalities and endless subcultures toward a universal vision and strategy for the organization?

Cultural intelligence is what makes the difference. The cultural intelligence of the individuals on a diverse team determines whether the team's diversity promotes or deters innovation. Cultural intelligence, or CQ, is the capability to relate and work effectively in culturally diverse situations. Research on cultural intelligence finds that the culturally intelligent have developed skills in four capabilities:

1. CQ Drive (Motivation): Having the interest, confidence and drive to adapt cross-culturally.

2. CQ Knowledge (Cognition): Understanding intercultural norms and differences.
3. CQ Strategy (Metacognition): Making sense of culturally diverse experiences and planning accordingly.
4. CQ Action (Behavioral): Changing verbal and nonverbal actions appropriately when interacting cross-culturally.

The convergence of consumer diversity with workplace diversity is the nexus of the greatest challenges and opportunities for a culturally intelligent approach to innovation.

Maintaining and developing a climate of culturally intelligent innovation among a diverse team requires a deliberate, ongoing effort.

The most important way to prime for culturally intelligent innovation is for the leadership to surround themselves with a diversity of perspectives, utilizing that breadth to drive their own innovative approaches.

Perspective-taking is "the capability to step outside [our] experience and imagine the emotions, perceptions and motivations of another." It begins with realizing that two individuals can be presented with the exact same information and arrive at radically different interpretations.

Once you learn to accurately take the perspective of others, you have a whole new ability to design products and services in a way that truly brings solutions. And with a diverse team, you have a built-in mechanism for taking on the perspective of your users. This requires not only learning how to read individuals one at a time but also learning how to see the tendencies, patterns, motivations and connections across a particular cultural group.

The greatest challenges of perspective-taking lie not so much in how we deal with entirely erroneous perceptions but how we deal with different, legitimate views and experiences that are each a part of the whole.

The goal is not for all of us to abandon the social group and identity with which we were reared. Neither should we pretend we don't have legitimate self-interests. We want to transcend our existing perspectives without leaving them fully behind.

There are practices that can help you make perspective-taking a regular part of your innovation process.

Observing. Most innovators are intense observers. They observe people in a different environment and look for how they solved problems. They actively watch people as they use products. They observe people in real situations. They look for what's surprising.

Listening. Effective listening to gain the perspectives of others means intentionally hearing a customer's pain points and desires, and creatively getting them to share things that will enlighten how you go about the innovation process. How do customers order and purchase your product? Is there a way to make that easier and less costly? How do they receive it? What frustrations do they have?

Checking for accuracy. Perspective-taking relies on your ability to consider other people's perspectives accurately. If you don't really know what it's like to be poor, in pain or at the bottom of the corporate ladder, then the mental gymnastics of putting yourself in someone else's shoes isn't going to improve your innovation. Beware of confirmation bias, the tendency to look for and favor information that confirms what you already thought.

Make a habit of forcing yourself out of autopilot. Work from a different space. Don't always run your meetings the same way or in the same place. When your team comes up with a solution, stop and ask each other whether this is the best option or whether a third alternative is worth exploring. Train yourself and others to think differently.

Fight Unconscious Bias

It is well known that diversity adds value to organizations, allowing groups to perform better, make smarter decisions and be more innovative. Diverse organizations that welcome everyone possess greater insights into the marketplace. Diversity is also a valuable recruiting tool that helps organizations land top talent. Yet, diversity's true value depends on teammates' culture and attitudes, Christine Porath explains in ***Mastering Civility.***

If incivility reigns and people feel as though they aren't valued, or they lack permission to speak up and share opinions, they won't contribute. Diversity, in turn, will mean little. People need to feel *respected* in order to contribute. And that's where civility comes in. We must treat *everyone* well, including individuals who are different from ourselves or think differently.

Data shows that true inclusion is quite difficult for most people. Even if we consciously want to, we have a hard time welcoming others in. In fact, we show unconscious bias, often through subtle attitudes or actions.

If we treat people as less than what they are capable of, we not only insult them but also set them up for failure. We make them into smaller versions of themselves, and as they start to lower their own expectations, failure becomes a self-fulfilling prophecy. We all lose out.

The first step in fighting unconscious bias is to make an effort to bring silent assumptions out into the open. Ask yourself, "What biases do I carry?" "Whom does that affect?" "What are the consequences?" We must question our perceptions on a minute-by-minute basis when we engage with others, consciously correcting for our improper assumptions. Awareness is the crucial first step. Reflect on your tendencies. What experiences have colored your perceptions, and how?

Think about your connections with people. List what you have in common with someone, however different he or she seems to be. Emphasize your shared identity as parents, as residents of a city, as fans of a sports team, as members of a religious community, etc. It's human nature to feel positively toward members of our own group, so the key is to find a shared identity or group.

Biases are reduced when we learn about one another through personal interaction. There is also a promotion of goodwill and, as this becomes regular practice, a growing support for one another.

Try providing structure or routines in areas like hiring, performance evaluations and promotion decisions that prevent unconscious biases from creeping in. Make it a point to slow down, weigh all the evidence and remove subjectivity from the process. Finally, combat your biases by including others' opinions. For important work decisions, use committees. Research shows that teams with divergent opinions tend to make better, less-biased decisions.

To reap the full benefits of civility, we must come to grips with the often, unconscious ways we diminish others. Follow Pope Francis's example: Be respectful and treat others as equals at every moment. In doing so, you will enable your colleagues to realize their full potential, even as you realize your own.

How Transglobal Leaders Embrace Diversity

It is conceivable to have a highly diverse workforce or team, but without an inclusive leader, team members may not necessarily achieve high levels of engagement or commitment or perform at their peak, according to Linda Sharkey, Nazneen Razi, Robert Cooke and Peter Barge in

Winning with Transglobal Leadership. Similarly, highly inclusive leaders who lead only homogeneous teams may not trigger creativity or breakthrough thinking, and the lack of diverse perspectives can stifle innovative ideas and growth.

Transglobal leaders, on the other hand, nurture and sustain not just a diverse but also an inclusive mindset. They do not separate diversity from inclusion: They believe that these are inseparable values that cannot be detached if superior performance and outstanding business results are to be achieved in a global world.

Transglobal leaders embrace *inclusive diversity;* this plays a critical role in the success of these leaders, and it can be instrumental to both the innovativeness and adaptability of their businesses.

The following examples of inclusive diversity behaviors reflect how transglobal leaders respond, adapt and sustain practices and behaviors that will endure the complexities of the changing work environment and withstand the test of time.

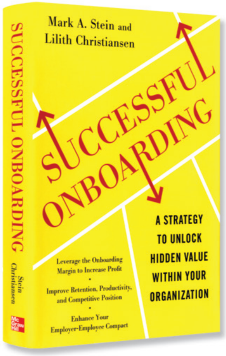
- Recognizing generational idiosyncrasies and interests.
- Maximizing positive impact of gender diversity on a company's bottom-line performance.
- Finding ways to cultivate and nourish ethnic and racial identities.
- Advocating and accommodating work-life balance.
- Learning and adapting to diverse cultures through experience and involvement.

The characteristics of the emerging workforce have changed significantly, calling for leaders to be increasingly flexible, vibrant, progressive and ultrasensitive to how they are being perceived and accepted by their employees. The emerging workforce is vastly diverse, people issues are essentially unpredictable and social norms are constantly evolving at an unfathomable pace.

Diversity is prevalent in almost every organization that does business internationally or globally. Some organizations, through mergers and acquisitions, become diverse overnight and don't know how to deal with it. Others get a new customer in another part of the world and struggle to figure out how to best engage that customer for the long haul.

Transglobal leaders recognize that global diversity is an inherent part of doing business today, and it will become an increasingly significant factor in the future. They are not afraid of diversity; in fact, they actively embrace and enjoy the differences and expanded thinking that these differences create.

Inclusive diversity is also about understanding and respecting cultural differences and appreciating the behavioral nuances that vary from country to country. Transglobal leaders inherently understand that the new order of diversity is not only a mix but also a major shift to inclusion, with a heavy emphasis on seeking out and showing respect for others' perspectives. They will hire the best and brightest no matter who they are or where in the world they live or come from. ❖



SUCCESSFUL ONBOARDING

By Mark A. Stein and Lilith Christiansen

McGraw-Hill © 2010, 278 pages

Your company might be great at recruiting new talent, but if those people find new jobs at other companies and quit within the year, you've wasted your money and your time. Worse yet, the people you've trained might even help your competitors beat you in the marketplace. It doesn't have to be that way. According to management consultants Mark A. Stein and Lilith Christiansen, you can prevent this kind of tragedy by simply creating a more effective "onboarding" program for your new hires.

In *Successful Onboarding*, Stein and Christiansen share what they have learned while helping numerous companies develop the human resources (HR) strategies that successfully move outside people into an organization and help them stay there. While offering timely stories from companies such as Apple, Netflix and Microsoft, the co-authors describe the HR practices that help employees acclimate to a new culture, engage with the company, develop higher productivity levels and stick around.

According to the latest statistics, one-third of the people hired from outside a company quit their jobs within two years. Studies have also found that within six months of getting hired, almost one-third of new employees are looking for a new job. There is a problem here. The coauthors of *Successful Onboarding* argue that a better HR process for bringing in new people and integrating them into the organization is needed by companies in all industries. Throughout their book, they describe a systemic and strategic approach that can help company leaders move beyond ineffective orientation programs to better connect employees to their new employers.

Questions that Drive Engagement

The approach the authors offer is built on four "pillars" that support a company's employee retention efforts. The first of these pillars is early career support. One role model that is presented, who has mastered this pillar, is Cynthia Mills, who manages sales assistants in an upscale jewelry retailer in New York City. One of the keys to her success as a hiring manager is the early career support she offers to new salespeople. For example,Mills sits down with new hires on their first day and asks a series of questions that demonstrate her interest in their career development. These questions include: What attracted you to the job? What do you hope to learn? What are your biggest goals? What kinds of support do you need? What are your greatest strengths? Listening closely to employees' answers and using them to create personal development plans can go a long way toward helping people feel more connected to an organization.

The second pillar in the authors' program for successful onboarding is a deeper orientation into the organization's culture and its performance values. Stein and Christiansen explain,"Cultural acclimation is a vital component of a best-in-class onboarding program."The best way to encourage this is by creating "open, honest, authentic conversations about organizational culture with new hires."

Strategic Position, Intent and Direction

The third pillar of the onboarding program involves sharing greater insight into the company's strategic direction and goals. This involves teaching new hires about the company's current strategic position and describing where the organization wants to go. The authors write that employees should understand how they play a vital part in the company's strategy.

Finally, the fourth pillar of the program involves creating activities and experiences that enable the new person to build beneficial relationships. Better relationships early on satisfy peoples' social needs, which helps them become more productive,more engaged, happier and more likely to stay on board. In addition to the four vital parts of a *successful onboarding* program, the authors write, companies must also develop better systems of feedback and accountability, as well as better diagnostics to measure success.

Successful Onboarding offers organizations a better way to reduce operating costs through more cost-effective HR programs. Through relevant stories of companies that have been able to reap the benefits of these types of strategies and practices, Successful Onboarding helps companies develop and retain a stronger workforce.

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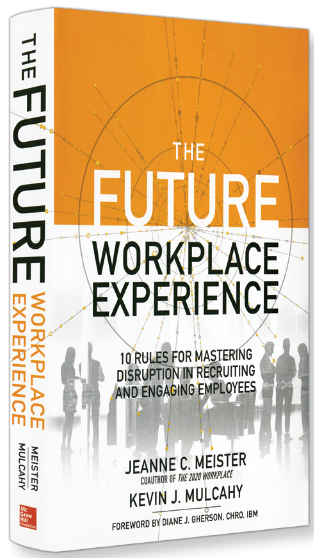
The Future Workplace Experience

10 Rules for Mastering Disruption in Recruiting and Engaging Employees



by Jeanne C. Meister
and Kevin J. Mulcahy

THE SUMMARY IN BRIEF

Disruptive technologies. The gig economy. Breadwinner moms. Data-driven recruiting. Personalized learning.

The Future Workplace Experience presents an actionable framework for meeting today's toughest business disruptions head-on. It guides you step by step through the process of recruiting top employees and building an engaged culture, one that will drive your company to long-term success. Two of today's leading voices on the future of work, Jeanne C. Meister and Kevin J. Mulcahy, provide 10 rules for rethinking, reimagining and reinventing your organization.

Everything we took for granted in the past, from what we expect from our jobs to whom we work with and how, is changing before our eyes. The strongest organizations today are "learning machines." New challenges require new solutions, and some organizations are finding them.

If you want to compete in the years to come, you have to meet the future now. *The Future Workplace Experience* is your playbook for taking your organization to the top of your industry.

IN THIS SUMMARY, YOU WILL LEARN:

- The 10 rules to help your organization recruit and engage the best employees.
- What workers expect from work and how and why companies are creating employee experiences to mirror their best customer experiences.
- How technology transforms the workplace and can be both an enabler and a disruptor.
- The changing composition of the workforce driven by gender, generation and the gig economy.

CONTENTS

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THE COMPLETE SUMMARY: **THE FUTURE WORKPLACE EXPERIENCE**

by Jeanne C. Meister and Kevin J. Mulcahy

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Introduction

Everything we take for granted about work — what we expect from our work, where we work, how we work, when we work and with whom we work — is being disrupted. Workers of all generations and cultures will increasingly come to expect a workplace that mirrors their personal lives, one that is transparent, connected, personalized and offers choices. Understanding this future workplace experience will be a core competency of both business and human resource leaders.

Interviews and a global survey uncovered a confluence of disruptive forces that leaders are grappling with today, from the experiences workers expect in the workplace, to the myriad of current and next-generation technologies transforming how and where we work, to the diversifying composition of workers, representing multiple generations and cultures, in addition to various segments of workers such as breadwinner moms, boomers on the grid and economy, contingent workers. The results of the research have been synthesized into 10 rules to guide you, your team and your organization to master disruption in recruiting and engaging employees in the future workplace.

PART I: WHAT WORKERS EXPECT FROM WORK

Rule #1: Make the Workplace an Experience

There are several key drivers to intentionally designing employee experiences, including the fact that all generations of employees (not just millennials, born between 1982 and 1993) are approaching the workplace with a consumer mindset. With the rise of mobile technology and a rapidly expanding on-demand economy, employees now expect a similar experience at work to the one they have in their personal life. At the same time, organizations are recognizing the need to create one seamless experience for both employees and customers.

The essence of the future workplace experience is to integrate all the elements of work — the emotional, the intellectual, the physical, the technological and the cultural — into one seamless experience for the employee.

Emotional experience: Companies are increasingly seeing the importance of being a purpose-driven organization, and tapping into a set of core values to connect the employee to the company. This starts with asking what type of customer experience is the company providing and how can the employee mirror components of this and elicit core emotions of the very best customer experiences such as delight, surprise and engagement.

Intellectual experience. Companies recognize that engaged employees take charge of their development and learn every day, often informally searching the web with their smartphone and finding what they need, when they need it. Qualcomm has created the Qualcomm Employee App Store for employees to access a number of apps from learning to communication, health and wellness, news and virtual-meeting facilitation.

Physical experience. Research is proving the importance of giving workers control over selecting the workspace that suits them. Steelcase conducted a global study among 12,480 participants in 17 countries to examine

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Rebecca S. Clement, Publisher; **Sarah T. Dayton**, Editor in Chief; **Ashleigh Imus**, Senior Editor; **Masiel Tejada**, Graphic Designer; **A. Imus**, Contributing Editor

key workplace behaviors around the topic of workspace. Interestingly, workers who have a greater degree of control over where and how they work, and are free to choose a workspace to fit their task at hand: either focused work or collaborative work, were more engaged at work.

Technological experience. With the growing demand to work from anywhere, the future workplace will depend on organizations harnessing the power of smart technologies to drive employee engagement and satisfaction. IBM is one company that is leveraging its suite of cognitive technologies and social-engagement platforms to reimagine the performance-management process.

Cultural experience. Transparency in the workplace is becoming the currency of leadership. At Airbnb, employees freely share why the company is a great place to work. Scan the Airbnb Glassdoor.com page and you will see comments like "This company is mission driven with an incredible culture and one where you are encouraged to be yourself." And just as important, Airbnb executives regularly respond to both positive and negative comments showcasing their transparent culture.

Rule #2: Use Space to Promote Culture

Increasingly, organizations are strategically redesigning their workplaces to better align with their core values, attract the right talent and achieve superior results.

Five drivers influence how companies align their workspace and culture. Taken together, these drivers provide business and HR leaders with a framework to rethink how space can drive culture, choice, wellness, engagement and community.

Drive culture. Workplaces are physical manifestations of a company's culture. A company promoting a culture of high-paced innovation, creativity and a sense of fun at work will find it hard to promote these values in a bland, gray, cubicle-filled workspace that often saps employees' energy rather than inspires employees to achieve creative breakthroughs. Leading organizations recognize this fact. Building an employee-centric workspace is a long-term planning project. The space needs to be organic and flexible enough to facilitate future generational changes and shifts in working-style preferences. The workspace design should promote engagement and collaboration among employees.

Enable choice. In a TED talk, Susan Cain made the case that workplaces were "designed mostly for extroverts and their need for lots of stimulation." She highlighted how introverts are highly talented individuals with a very different set of characteristics, which need to be encouraged by moving away from the prevailing norms of workplace design. So companies need to ask, "How can we accommodate both our introverts and our extroverts in our workspaces?" Four simple questions are suggested for business leaders to probe where employees choose to work and why: Where do you go to do your best work? Where do you go to get the job done? Where do you avoid meeting or working? Where do you go to recharge?

Promote wellness in the workplace. The demand for healthy workplaces is on the rise. This has led to the creation of the WELL Building Standard (WELL). The WELL Building Standard measures, certifies and monitors the performance of building features that impact the health and well-being of employees. WELL provides companies with a framework to create a healthy workplace by focusing on seven concepts, including air, water, nourishment, light, fitness, comfort and mind.

Enhance engagement. The new thinking about workspace focuses on creating space where employees want to be and giving them choice over the type of space and the tools they use so they can best collaborate, concentrate, and network with colleagues.

Nurture community values. A co-working space is more than just renting out desk space; it is a chance to engage with workers who hail from many different industries and kinds of expertise. It is a chance to share an identity, work within a community and participate in networking events with other members. Not only are co-working spaces growing (currently numbering more than 3,000 with We Work as the largest) but a number of FORTUNE 500 firms, (GE, McKinsey and IBM) are sending their intrapreneurial teams to work at these co-working spaces so they benefit from the sense of community.

Rule #3: Be an Agile Leader

In the future workplace, a new generation of leaders will be needed who are agile and can adapt to the rapidly shifting business landscape. These agile leaders demonstrate seven leadership traits and include the ability to both produce results and engage with people.

The first dimension focusing on the *ability to produce results* includes:

Be transparent. Modern employees want a culture of regular communication and straight talk, along with clear expectations for how to excel. These elements build trust, which is the foundation of great teamwork and the key to attracting and retaining the best talent.

Be accountable. Being accountable means recognizing both your losses and your wins. Such leaders not only own their mistakes; they learn from them and feel empowered to take responsibility for the good results they produce.

Be intrapreneurial. Never have so many companies actively encouraged employees to act like entrepreneurs on the job — to be intrapreneurs inside their organizations. Intrapreneurial leaders motivate others to think, imagine and act in bold, enterprising ways, to take ownership of ideas and to innovate within the organization.

Be future-focused. Organizations that "let go at the top"— avoiding hierarchy, incrementalism and the safety of resting on past successes — will be the ones that are agile enough to leapfrog from opportunity to opportunity in the future.

The other dimension focuses on the *ability to engage people:*

Be team intelligent. While HR departments have traditionally focused on individual employees — recruiting them, developing them and assessing their performance — we are beginning to see the advent of a new capability, one of developing team intelligence, the practice of making team performance great.

Be inclusive. Inclusivity is very different from diversity. Diversity is typically a question of whom you recruit, while inclusivity is about how you include them. It is about creating and — crucially — listening to individuals or teams that represent many different voices. It is a way to foster diversity of thought, encourage more creative problem solving and integrate the input of all stakeholders. It is about building diversity and inclusiveness as cultural values within the organization.

Be a people developer. In the future workplace, being a people developer requires enabling on-demand individual and peer learning. When forward-looking companies provide easy ways for employees to update skills and capabilities, they will be rewarded with a more engaged, longer-lasting workforce.

Companies that practice agile leadership do so starting with the hiring process. They screen for cultural fit. No matter how well qualified someone might be, the candidate must fit the culture to be offered the job. Culture is the glue that binds the dimensions of agile leadership together.

PART II: HOW TECHNOLOGY TRANSFORMS THE WORKPLACE

Rule #4: Consider Technology an Enabler and Disruptor

Staying ahead of the technology curve has never been more difficult for corporations. Four questions highlight the key technology drivers converging to create an unprecedented opportunity to transform the workplace experience for both employers and employees.

Enabler. How do we enable our workflow?
Enhancer. How do we enhance our capabilities?
Advisor. How can we make better decisions?
Disruptor. What roles will be disrupted and automated?

Enabler of Our Workflow

Communication is more interactive and visual. Communications at work have become "omnichannel." New forms of communication are being deployed to better suit the evolving work habits. Michael Frendo, Polycom's executive vice president of Worldwide Engineering, says "We are seeing a huge trend toward video communications, especially among Millennials, as active users of FaceTime, Skype and Google Hangouts; they are bypassing audio communications and going right to video for all types of needs, from group collaboration to coaching and mentoring."

The number of collaboration and video tools available to workplaces reinforces the need to rethink how we work. As communication in the workplace morphs into team collaboration, there is a new way to motivate employees called *digital motivation* (also known as *gamification*). Digital motivation takes the essence of game attributes — such as fun, play, transparency, design, competition and, yes, addiction — and applies these to a range of real-world processes inside a company, from new hire on-boarding to recruiting to learning to career development.

Enhancer of Our Skills

Wearable technology is changing what we know about workers, how work gets done and how skills are developed. The spectrum of wearable technology at work has rapidly expanded to now include quantification and measurement, implantable and ingestible, strength and endurance, augmented reality and virtual reality. For example, wearable devices can track the position of employees or soldiers, providing real-time data about their location to remote data centers. Implantable chips and ingestible sensors are also being piloted today. Virtual reality (VR) is a fully immersive digital experience. The goal of VR is "to engage a user to interact with a simulated auditory, visual and kinesthetic environment as if it were real." VR technology is ideally suited to be used in on-boarding new hires, and developing employees.

Advisor: Applying Technology to Make Better Decisions

Recruitment, goal alignment and operations efficiencies are among areas where organizations are applying technology to inform decision making. IBM Watson is taking this to the next level using cognitive computing to learn at scale, reason with purpose and interact naturally to answer simple queries from employees. IBM Watson uses data mining, natural language processing and pattern recognition to improve and simplify experiences ranging from banking to healthcare.

Disruption and Automation — Exponential Growth Ahead

Much media commentary has been on job elimination due to technology, but not enough focus has been on how technology will disrupt and at the same time augment jobs. For example, a chatbot is an artificial intelligence computer program designed to simulate a conversation through written or spoken text. Facebook's AI virtual assistant called M can make restaurant reservations and complete other tasks that combine AI with a team of "trainers" and customer-service experts to ensure M is performing each task requested of it. The botification of the workplace will exponentially expand and allow knowledge workers to work smarter.

To understand the impact of technology on the workplace experience for ourselves, our teams and our organization, we must be committed to continually experiment with new technologies and ask ourselves, how can these be used to deliver a transformational workplace experience?

Rule #5: Build a Data-Driven Recruiting Ecosystem

Research from Indeed.com, the job listing site, suggests that technology has all but eliminated passive candidates. The implication is that most candidates should now be regarded as continual job searchers, always on the lookout for new gigs — whether full time or freelance. The process of continual job searching has been made much easier with apps like Anthology, Jobr and Switch, as well as proprietary apps developed by employers themselves, each designed to quickly match job seekers' skills with open positions and introduce job seekers to recruiters.

A recruiting ecosystem intentionally builds the employer brand, uses analytics to vet candidates, leverages employees to pursue referrals and communicates in a transparent fashion every step along the candidate experience.

Manage your employer brand. As companies search social media sites for potential new hires, they must also realize job seekers are doing the same thing in search of potential new employers. Building a strong employer brand, one that communicates the tenets of your workplace culture, is critical in this increasingly transparent job-search process. Your employer brand is essentially what your business is all about, the "what and why of the things we do at this company." Organizations that build strong employer brands and focus on culture become magnets for continual job seekers.

Train before hiring. Job seekers and recruiters are incorporating training before hiring into the recruiting process. Algorithms are helping recruiters to create and refine job seeker skill sets. Data analytics also helps employers better understand what in-house skills are needed to develop their company's teams, achieve their organization's goals and successfully fill open positions.

Use smart sourcing. Smart sourcing is becoming a crucial way for companies to find talent and predict their success on the job. Identifying and amplifying skill sets among promising job seekers is one aspect of a broad and proactive data-driven approach to smart sourcing. Two companies that are using people analytics in new ways to source talent include LinkedIn and JetBlue. In both cases, smart sourcing starts with data to find optimal candidates — whether the candidate sought is a software engineer or a flight attendant.

Tap employees for referrals. Evidence indicates that internal referrals are a significant factor in recruiting success. In the area of employee fit and retention, an iCIMS Hire Expectations Institute study finds 60 percent of internally referred job seekers make strong matches with company culture, and 59 percent stay with the organization longer than other types of hires.

Be transparent with job seekers. There are two types of transparency that job seekers look for in the workplace: first, potential new hires want to work in a culture that is transparent; second, job seekers want a talent-acquisition process that is transparent. Ideally, these elements of transparency should form a through line, a complete interview-to-exit experience of open communication and frankness about salary, benefits, promotions, career development, company culture and the expectations business leaders set for employees around growth, behavior and work style.

According to Jill Larson, SVP of Strategic Talent Acquisition, People Planning and Services HR at Cisco, there are four new capabilities recruiters must build in their skill set, namely, be data driven, possess a deep organizational knowledge of the business and industry they operate in, understand and build into their people processes the growing importance of employer rating sites, and commit to becoming a brand ambassador for the company.

Rule #6: Embrace On-Demand Learning

The future of learning requires reimagining how we help learners learn at the speed of business. There is a movement for workers to become serial learners as one way to avert technological unemployment, defined as the loss of jobs caused by technology disruptions. Helping learners learn at the speed of business requires revisiting every aspect of the learner experience while scaling and measuring differently.

Shift mindset to on-demand learning. The education marketplace is going through a seismic shift. The size of the education market in the United States, as estimated by GSV (Global Silicon Valley), is $1.6 trillion. This is projected to grow to $2.0 trillion in 2020. The lifelong learning sector is projected to grow 30 percent. The transformation of learning from designing formal training to creating on-demand learning experiences requires leaders of corporate learning to shift their mindset, budget and resources from developing content to identifying learning from a number of open sources.

Rethink the vision for learning. Best-of-breed learning leaders should consider themselves intrapreneurs who run the business of learning inside their organization. They must have an understanding of where the company's business is going and what mix of skills and capabilities employees need to reach the strategic goals of the organization. For HR and learning leaders, this starts with creating a compelling vision of why and how a company is providing learning to its workers. The adidas Group vision statement for learning is simple: "You Learn, We Grow." This shows the power of a vision statement that is inspiring, memorable and concise. The lesson for learning leaders is, rethink why the investment in learning is so important and develop a concise and memorable vision that resonates with your company culture.

Expand learning opportunities. The process of identifying the skills and capabilities needed for success on the job has resulted in a fixed set of learning offerings pushed to employees. This is changing as learning leaders shift their focus to create more of a consumer experience in how, when and where workers access learning. Why? Because employees expect an experience that parallels how they order a movie on Netflix or a book on Amazon. General Electric is doing just this with the development and launch of BrilliantYOU, a marketplace for learning and development, which operates much like the Apple Store for Learning.

Build learning partnerships. According to data from Class Central, the total number of students who enrolled in at least one massive open online course (MOOC) has reached 35 million, up from 18 million since inception in 2012. The revolution in MOOCs has moved from higher education to corporate learning as a way to incorporate credentials, provide access in multiple languages, and, importantly, redesign e-learning using an engaging cohort model. Perhaps the biggest reason the MOOC movement has entered corporate learning departments is the power of the MOOC design to engage, inspire and personalize the learning experience.

Communicate the value. Most organizations measure training success based on the learner's satisfaction. "Did the employees like the training?" Instead, analytics should drive an organization's decisions on recruitment, development and engagement. By applying Simon Sinek's model of the Golden Circle in his best-selling book, *Start with Why,* use three simple yet powerful questions to frame a company's learning investment in the language of business. The first question is "*Why* is the investment being made?"— what is the business problem that the training is solving for? The next question is "*How* is the organization analyzing the data?" In other words, what methodology is being used to measure learning? Finally, the last question is "*What* specific business impact is being measured?"

PART III: THE CHANGING COMPOSITION OF THE WORKFORCE

Rule #7: Tap the Power of Multiple Generations

When organizations encourage employees of diverse ages and cultures to work together, products and processes are approached in new and innovative ways. Quite simply, age diversity drives the type of creative thinking that leads to greater engagement and innovation.

Multiple generations in the workplace is the new normal. Workers are staying in their jobs longer. The growth of older workers is driven in part by an increased life expectancy.

What is the implication of living and working longer? We will see more employee compensation packages that include not only salary, bonus and stock options but also generous learning allowances funding skill development for employees. Another implication is younger bosses managing older workers. This phenomenon is already prevalent in industries like IT, professional services and accounting, and it will likely become the norm across all industries as companies promote millennials and Gen Xers into leadership positions while boomers remain in the workplace.

Generational intelligence is the ability to understand the similarities, differences and expectations of each generational cohort. Understanding multiple employee generational cohorts is important to serving multiple generations of customers. Generational intelligence requires a constant focus on the benefits an age-diverse workforce can bring to the organization.

The Workplace Generational Intelligence Framework shares what is important to each generation on three levels:

- **Personal level:** What do workers want for themselves?
- **Team level:** What do workers seek of colleagues?
- **Organizational level:** What do workers expect of the organization?

The opportunity for leaders is this: Use workplace diversity to your advantage, and build an inclusive work environment where diversity adds to innovative thinking.

Rule #8: Build Gender Equality

In the United States, women are the more educated part of the workforce even though they only earn 78 percent of the salaries of their male counterparts. According to *Lean In* and McKinsey's survey of 30,000 men and women at 118 North American companies, women held 45 percent of entry-level jobs at the companies surveyed, but their ranks thin out as they rise in the organization. Women are underrepresented at every level of the corporate pipeline, and this disparity is greatest in senior leadership,

Catalyst, a nonprofit organization focused on promoting inclusive workplaces for women, defines unconscious bias as an implicit association or attitude about the characteristics of an individual — such as an individual's race or gender — that operates out of our control, informs our perception about a person or group of people, and can influence our decision making and behavior toward a person or group of people — even without us realizing it is happening. Companies are recognizing that unconscious bias can seep into hiring and promotion decisions, causing roadblocks in diversity and inclusion programs.

What can you do to move from awareness of unconscious bias to action? Interviews uncovered seven strategies organizations can consider:

1. Measure: It's hard to know you're improving if you're not measuring. Track gender representation across all standard business activities by job level.
2. Be mindful of subtle cues: Who's included and who's excluded?
3. If you see something, say something to challenge examples of bias.
4. Promote employee-resource groups to supplement formal training on unconscious bias.
5. Hold yourself and your team accountable for how you source and promote individuals different from yourself.
6. Create a clear process in advance for making decisions.
7. Pay attention to prevailing gender assumptions.

Rule #9: Plan for More Gig Economy Workers

The workforce of the future won't be all full-time employees. It will be made up of consultants, contractors, freelancers, part-time employees and other independent workers collectively known as the gig economy. By the year 2020, Intuit predicts 43 percent of the U.S. workforce — or 60 million people — will be gig economy workers. This data indicates that HR leaders will need to plan for a shift from managing a workforce of almost all full-time employees to managing a more blended workforce of employees and independent, gig-economy workers.

Both employers and workers are driving the rise of the blended workforce. Qualified independent workers are now easier to find, while workers themselves seek greater flexibility.

HR leaders have identified several benefits that companies are realizing by incorporating gig economy workers into their workforce. The top benefits include being able to create flexible teams based on business needs, more immediate availability and access to niche skills on demand. Managing lower labor costs is also an influencing factor. Since companies don't pay social security or Medicare taxes, make unemployment insurance payments, or provide benefits for contractors, the cost of hiring a contractor is often 30 to 40 percent lower than hiring an equivalent full-time employee.

Organizations must determine how to best source, develop, manage and engage gig economy workers. Take a total talent-management approach to the blended workforce. This approach helps HR leaders optimize the supply of independent workers, make faster and better-informed decisions about talent, and reduce the overall labor and infrastructure spend. Here are six strategies to help HR leaders on the path to a total talent-management approach:

1. Develop a strategic approach to sourcing gig economy workers.
2. Define governance and success criteria for managing gig economy workers.
3. Build a partnership between HR and IT to support and manage a blended workforce.
4. Develop a range of strategies to ensure the performance of gig economy workers.
5. Use analytic tools to optimize engagement of gig economy workers.
6. Mitigate legal risk through systematic compliance management of gig economy workers.

Rule #10: Be a Workplace Activist

A workplace activist is someone who gives voice to making the changes we all desire in our organization, industry and workplace. Workplace activists can lead these changes in three ways:

Recognize your job is not your job: Ask yourself, "What really is my job?" Fred Kofman, philosopher and vice president at LinkedIn, says "Your job is not what you do but the goal you pursue. So if you are a corporate trainer, instead of saying 'my job is to design and develop learning programs,' you should think of your job as facilitating continuous learning so your company wins in the marketplace." Now ask yourself what your job is. Challenge your team members to ask the same question of themselves.

Reframe your job description: Ask, "What do I include in my job to help my organization succeed in a volatile, uncertain, complex and ambiguous (otherwise known as VUCA) workplace?"

Rethink how to break HR: Which of our HR processes need to be reimagined for navigating the new world of work? Jayesh Menon, the Singapore-based leader of Global Organizational Effectiveness at Micron Technology, believes the best way to deal with the gap between how HR sees itself and how its clients view HR is to reimagine HR through the lens of a customer. Menon sees the need for HR to assume the role of a workplace activist, identifying big and small changes that HR can create to develop a more compelling workplace experience. This may range from rethinking performance management, to abolishing rigid policies for personal time off and vacations, to creating opportunities for employees to learn when and where they desire.

The 10 rules are opportunities for you to transform and reimagine your workplace. The future workplace will be shaped by each of you as you embark on your journey to become activists and give voice to the changes you see needed in your organization, on your team and, importantly, within yourself!

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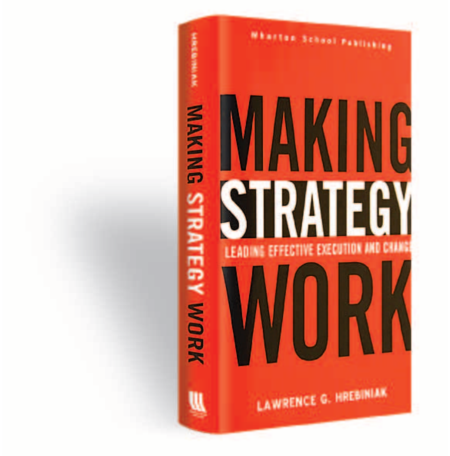
FILE: STRATEGIC MANAGEMENT



Leading Effective Execution and Change

MAKING STRATEGY WORK

By Lawrence G. Hrebiniak

THE SUMMARY IN BRIEF

Formulating strategy is difficult. Executing it throughout the organization — that's even harder. Without effective execution, no business strategy can succeed. Unfortunately, most managers know far more about developing strategy than they know about executing it — and overcoming the difficult political and organizational obstacles that stand in the way. In Making Strategy Work, *Lawrence Hrebiniak offers a comprehensive, disciplined process model for making strategy work in the real world. He shows why execution is even more important than many senior executives realize, and sheds new light on why businesses fail to deliver on even their most promising strategies. He also offers a systematic road map for execution that encompasses every key success factor: organizational structure, coordination, information sharing, incentives, controls, change management, culture, and the role of power and influence in the execution process.*

CONTENTS

What You'll Learn In This Summary

✓ **How does a company's strategy drive its selection of an optimal structure?** In general, the greater the company's "relatedness" across products or services, the more likely it is that the company will centralize.

✓ **What is the relationship between culture and execution?** Culture reflects and affects the ownership that individuals feel for execution-related goals. A company's levels of management commitment and ownership are excellent predictors of executional success.

✓ **Why does good execution begin with good strategy?** It's not true that "good execution can overcome bad strategy." Typically, poor strategy results in poor outcomes and major frustrations as managers work long and hard in futile attempts to execute that which is not executable.

✓ **How do incentives and controls support strategy execution?** Incentives motivate behavior to achieve the execution outcomes you want. Controls provide feedback about performance, thus reinforcing execution methods, providing corrective mechanisms, and facilitating organizational learning and change.

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MAKING STRATEGY WORK

by Lawrence G. Hrebiniak

— THE *COMPLETE* SUMMARY

Strategy Execution Is the Key

Execution is a disciplined process or logical set of connected activities that enables an organization to make its strategy work. Without a careful, planned approach to execution, strategic goals cannot be attained.

Execution can itself be a source of competitive advantage. If there's a series of internally consistent, integrated activities, imitation is extremely difficult if not impossible.

Consider how Southwest Airlines executes its lowest-cost strategy: no baggage transfer, meal service or boarding pass; only one type of airplane; and incentives for fast turnarounds at the gate. It's not impossible to copy Southwest, but it's extremely difficult for competitors already committed to different routines and methods.

Why Execution Is Often Handled Poorly

Despite its importance, execution is often handled poorly because of the following reasons:

● **Managers are trained to plan, not execute.** Execution is learned in the "school of hard knocks," with many mistakes and frustrations on the way to successful results.

● **Some top managers believe that implementation is best left to lower-level employees,** who then get the blame if things go awry. But execution is not trivial: It defines the essence of managerial work. It demands ownership at all levels of management.

Planning and execution are highly interdependent. The greater the interaction between "doers" and "planners" — or the greater the overlap of the two processes or tasks — the greater the likelihood of successful execution. Planning and doing should be simultaneous: Managers must be thinking about execution as they're formulating their plans.

● **Execution usually takes longer than formulating strategy.** As conditions change over time, it can be hard for managers to focus on and control the execution process. The longer execution takes, the more likely that unforeseen circumstances will derail it.

● **Strategy implementation always involves more people than strategy formulation.** Communication down the organization or across different functions becomes a challenge. The more people who are involved, the harder it is to execute strategy effectively. ■

The Execution Challenge

The following are eight areas of challenge to strategy execution. They are also areas of opportunity: Handling them well guarantees executional success.

1. **Developing a model to guide execution decisions or actions.**
2. **Understanding how the creation of strategy affects the execution of strategy.**
3. **Managing change effectively — including culture change.**
4. **Understanding power or influence and using it for executional success.**
5. **Developing organizational structures that foster information sharing, coordination and clear accountability.**
6. **Developing effective controls and feedback mechanisms.**
7. **Knowing how to create an execution-supportive culture.**
8. **Exercising execution-biased leadership.**

Overview and Model: Making Strategy Work

Successful execution involves decisions about strategy, structure, coordination, information sharing, incentives and controls. These decisions take place within an

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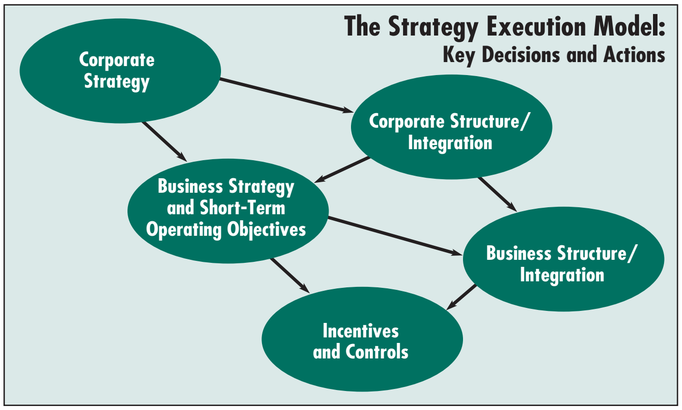

Overview and Model: Making Strategy Work

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organizational context of power, culture, leadership and the ability to manage change. To understand how to make strategy work, we need to understand the interactions among these key decisions and contextual forces.

The model above shows a logical flow of execution decisions and actions. This is not a one-way process: Execution involves participation and communication up and down the organization, as well as lateral flows of information and coordination across operating units. Execution leads to organizational learning, so the flow includes feedback loops, and the *controls* portion comprises feedback and change.

Strategy

Strategy refers to corporate decisions about what businesses or industries should make up the organization's portfolio; whether the organization should diversify or vertically integrate; and how resources should be allocated across operating units, given differences in competitive conditions and growth possibilities across industries.

Corporate structure is the organizational arrangement created in response to the demands of corporate strategy. Why is an optimal structure so important to execution? Consider the case of diversification as a growth strategy. Mergers and acquisitions are big business. In 2003, $1.2 trillion in mergers were consummated by investment banks.

The sad truth, however, is that corporate mergers often don't work. Between 1985 and 2000, 64 percent were marked by a drop in shareholder value because companies often fail to create the appropriate organizational structure to support the merger or acquisition. They can face tough choices, as Disney did after it bought ABC.

Should corporate leave its acquisition as a separate, independent profit center, or should it meld it into an existing division or function? It's the age-old question of centralization vs. decentralization. Different businesses must be sufficiently independent to respond quickly to markets, competitors and customers. Yet they can't be so independent as to create an unnecessary duplication of resources and destroy all chances for synergy or scale economies.

The result of decisions about structure is that different units focus on different tasks or specialties. To achieve unity of effort and to combine the activities of these diverse units, companies must pay formal attention to integrative methods and mechanisms. Thus, *structural integration* refers to business processes that coordinate corporate functions with business-unit operations.

Business Strategy and Execution

A business strategy focuses on products, services and competition in a given industry. Emphasis is on industry analysis and on external forces as the business positions itself for competitive advantage.

The business unit must also pay attention to its internal resources and capabilities as it tries to create skills and competencies that differentiate it from competitors.

Business-level strategy is vital to the success of corporate strategy. Poor strategic performance at the business level detracts from the company's ability to achieve its goals, while good performance helps make corporate strategy work. Even with independent, stand-alone businesses, strategy is constrained by prior corporate decisions. Resources, for example, are allocated to businesses as a function of their role in the portfolio — but if they don't meet corporate performance expectations, their allocations will suffer.

Business-unit strategy is also limited by corporate decisions about organizational structure. Centralization of structural units, such as R&D, constrains a business, because decisions about needed resources are made by a corporate function elsewhere in the organization. For example, operating units in the old AT&T depended very much on Bell Labs, a corporate R&D unit.

Aside from constraints posed by corporate, there are two aspects of the business strategy that affect its execution and must be handled well. These are:

1. The type of strategy and the demands it places on the organization. A business unit's decision to achieve cost leadership will create demands on the company's investments, resources and capabilities. The corporation must make capital investments in technology and manufacturing to drive down the variable cost of goods sold. To achieve economies of scale and scope, it must meet demands for standardized products and high production volume. It must also develop incentives that reward cost reductions.

2. The need to translate strategy into short-term, measurable operating objectives and action plans. A business unit's everyday objectives and performance metrics must be consistent with its strategic goals and plans. All too often, people well down through the organization are unaware of how everyday objectives, activities

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For additional information on how Wal-Mart executed its cost-reduction strategy, go to: http://my.summary.com

Overview and Model: Making Strategy Work

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or performance metrics relate to the business strategy. Sometimes they're even inconsistent with it.

To accomplish the necessary integration, you should use management-by-objectives programs or their offshoots, such as the Balanced Scorecard. These will help integrate long- and short-term business objectives.

Business structure is also key to the execution of strategy. Business-level strategy and short-term operating objectives affect the choice of business-unit structure. Different businesses in the same company can face very different competitive situations and thus require different structures. Never impose the same structure on all businesses or divisions simply because they're part of the same organization. Avoid this execution error at all costs.

The structure of a business should reflect, and be driven primarily by, the nature of its strategy. At GE, for example, GE Capital and Jet Engines, two different divisions, are in two completely different industries. Each has a strategy to cope with its competitive situation.

Integration

Integration is relevant to execution at the business level, since individual businesses must develop their own ways of achieving coordination across operating units or functions. *Transferring knowledge within the business is vital to strategic success.* In addition, if people aren't committed to the execution with which they've been charged, if they're rewarded for doing the wrong things or if they're not personally involved in the outcome, execution can fail. *It's critical that the organization rewards the right things, including previously defined strategic and short-term objectives.*

You also need *incentives* and *feedback*. Fine tuning of plans, objectives and implementation methods is more often the rule than the exception. But ineffective market and customer surveillance, poor information about organizational performance, and the inability to act on feedback from the marketplace surely spell disaster for execution efforts.

Context

The strategy execution model occurs in an organizational context, and is susceptible to four kinds of environments:

1. Change management. As a rule, people resist change. Some organizations manage change better than others.

2. Culture affects much of what goes on in organizations. Culture can affect the problems or opportunities on which managers focus. It helps define performance outcomes and determines how work gets done, what behaviors are valued, how mistakes are treated and what management styles are appropriate. Culture reflects and affects the ownership that individuals feel for execution-related goals. A company's levels of management commitment and ownership are excellent predictors of executional success.

3. The organization's power structure. Those in power identify external needs or opportunities, define new markets and customers, and determine the company's direction. They create strategy. Power differences affect the formulation of strategy as well as key execution decisions and outcomes. Those in power decide on resource allocations to individuals and organizational units that affect execution efforts. If those in power don't support the execution plan, the success of the plan clearly is jeopardized.

4. Leadership climate. The climate leaders create is just as important as leadership. This climate extends up and down the organization, since most managers are both leaders and followers. They create and react to climate.

A disciplined approach to execution lays out the logical order of execution decisions and actions, and shows the variables essential to a solid execution plan. ■

The Path to Successful Execution: Good Strategy Comes First

Good execution begins with good strategy. For example, postage meter company Pitney Bowes followed a disciplined strategy of related diversification and its counterparts didn't, fueling its successful performance.

Four critical aspects of strategy and planning affect the success of your execution. These are:

1. The need for sound planning and a clear, focused strategy. The key components of corporate strategy are portfolio analysis, diversification and resource allocations to businesses.

Sound planning means evaluating the existing situation and the potential consequences before making any major move. Resource allocations, for example, must assess the levels of risk that corporate leaders and stakeholders can comfortably assume. Poor planning can have many — and potentially fatal — effects on execution. Perhaps needed resources won't be forthcoming for businesses in the portfolio that could grow into stars. Or a failed diversification could affect the entire organization.

The goal is a strategy that leads to competitive advantage. Success depends on the company's ability to understand its industry and competitors, and to develop capabilities that lead to a favorable competitive position.

2. The importance of integrating corporate and business strategies. Corporate and business strategies must be consistent with and support each other. Yet many situations can prevent this consistency and support. These situations include the following:

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The Path to Successful Execution: Good Strategy Comes First

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- **The role of the business is unclear.** Corporate treats the business like a "cash cow," but the business sees itself as a potential star that should receive an infusion of capital and not be "milked" dry.
- **Inappropriate performance metrics.** Poor communication and planning processes ensure that corporate and business-unit people won't agree on key performance measures. A related problem is when corporate holds all businesses accountable for the same performance measures, even though the businesses are in different industries.
- **Battles over resource allocations.** Some businesses feel neglected or that there is too much centralized control over scarce resources and not enough entrusted to them.
- **Differing assessments of business performance.** If a business feels that it's been assigned an inappropriate strategy or role in the corporate portfolio, it will regard the assignment of performance objectives as invalid or unrealistic. The prognosis for future planning is bleak, as business-unit people may feel the need to "low-ball," "play games," "change corporate's expectations" or "prove them wrong."

The Strategy Review

To address these problems and improve communication, many major companies have found it useful to employ a strategy review. Corporate and individual businesses should agree on the role of individual businesses in the corporate portfolio and game plan, resource conditions and constraints, and business strategy and operating goals.

It's especially important to understand not only the numbers, but what's behind them, so that the individual business can have realistic and agreed-upon performance measures.

Note also that the process is interactive and adaptive, with corporate and business strategies regularly reviewed to determine their continued relevance and feasibility.

3. The need for measurable objectives. Since many managers operate in the short term, successful execution depends upon the translation of strategy into short-term operational metrics that are related to long-term needs, that can be used to assess strategic performance, and that help the organization achieve long-term strategic goals.

To realize long-term goals, you must manage the short term well. A particularly important short-term objective: *define and communicate the operational components of your strategy*. Execution will definitely suffer if strategic needs are not translated into short-term metrics that are consistent with your strategy. You must be able to accurately assess your progress against a plan.

The Balanced Scorecard provides a framework for translating strategy into operational terms. It also helps develop and communicate short-term objectives in financials, customer service, internal business processes, and learning and growth, and it attempts to link these objectives to company strategy and long-term goals.

4. Understand the demands of strategy and successful execution. Strategy makes demands on an organization's skills, resources and capabilities. To ignore these demands will surely result in poor execution.

Since each corporate strategy requires a well-established, specific set of skills, be cautious of making huge strategy changes in a short time. Don't try to pursue a new strategy with old capabilities. Furthermore, each business unit's capabilities must be consistent with and supportive of the overall strategy.

The Demands of Global Strategy

A global strategy requires management to develop the right resources and capabilities to compete effectively in world markets. The key concept here is a *coordinated* global strategy, derived from the sharing and leveraging of skills and capabilities across national boundaries.

To execute a global strategy, a matrix structure — with worldwide product and local geographical components — is the design of choice. It's simply not true that "good execution can overcome bad strategy." Typically, poor strategy results in poor outcomes and major frustrations, as managers work long and hard in futile attempts to execute that which is not executable. Vague strategy and constant changes in strategy have the same frustrating results. ■

Organizational Structure And Execution

Structure affects real costs and benefits. Different ways of organizing affect outcomes, but creating the right organizational structure is a real challenge.

A spectacular negative example is General Motors and its massive but failed attempt, back in the 1980s, to reorganize into two car groups. Most employees and managers had no idea that such a large-scale change was in the offing and were shocked when it occurred. Would their jobs change? Would layoffs occur? The uncertainty was unbearable.

Top management was largely silent on the connection between strategy and structure. How would the changes help GM solve its problems in product quality, cost and organizational effectiveness? The logic of the restructuring was missing, unclear or poorly communicated.

It would be difficult if not impossible to coordinate and create subordinate goals — or to assign responsibility and accountability in a case like GM's. The company had enjoyed long years of success with relatively independent entities — some of which were abolished overnight.

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Organizational Structure and Execution

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Other companies have failed on a similar scale — companies run by bright, experienced people. Perhaps some of the poor performance may be attributable not to managerial incompetence, but to the sheer difficulty of the task itself.

The biggest structure-related challenges to execution are:

● **Measuring the impact of structure on execution.** What are the costs vs. benefits of different structural forms? How are costs and benefits measured? How does the company's structure affect actual costs or measurable benefits? What results can reasonably be expected from different organizational forms?

A dedicated organizational structure allows for quick responses to customer needs or industry changes. Even if divisions are organized functionally, the focus derived from attention to one customer, product or geographical region facilitates and enables coordination around a common goal, customer or output. The costs of divisional structures include the duplication of scarce resources.

● **Centralization vs. decentralization.** What is the right balance for optimal execution, and what determines it? Included here is the size and role of the corporate center in organizations with both centralized and decentralized units.

Efficiency and Effectiveness

Structural choice depends on what's important to top management, strategically or operationally. Given competitive conditions, industry forces and the company's strategy, a company must choose the right mix of centralized and decentralized structures to optimize both efficiency and effectiveness.

Centralization results in efficiency from the creation of expertise, an organization-wide asset. Decentralization helps the company get close to customers or markets.

● **The relationship between strategy and structure.** What aspects of strategy drive the choice of structure? How does structure affect the execution of strategy?

Commodity product or highly competitive industries usually face price competition, so additional revenues come from lower costs. Organizational structure in these low-cost strategy cases favors the efficiencies and scale economies of centralized, functional forms. These forms are characterized by standardization, volume and repetition, which foster efficiencies from economies of scale and scope.

A company with a focus strategy that is focused on a particular customer, geography or product should decentralize. Even with the predominantly decentralized divisional structure, some centralized staff may be needed to achieve efficiencies across the decentralized units.

A company adopting a differentiation strategy — e.g., offering both high-end and low-end products — should decentralize and devote separate business divisions to each.

Companies in global competition must focus on both worldwide product lines and geographical differences among markets. A common response is the matrix structure, which helps execute a coordinated global strategy. Such a structure maintains a dual focus on product and geography, and combines efficiency and effectiveness.

A company's strategy drives the selection of the optimal structure. In general, the greater the company's "relatedness" across products or services (same customers, same technologies, same distribution channels), the more likely it is that the company will centralize.

Whatever the structure is, successful execution depends on coordination and information sharing across organizational units, and clear responsibility and accountability.

A growth strategy usually requires more decentralization over time. Size has another impact on structure: It often demands that big problems be factored into smaller, more manageable proportions and handled by smaller structural units; the result is decentralization. ■

Managing Integration: Effective Coordination and Information Sharing

Structural integration requires three tasks or decisions.

1. Determine the kind of interdependence among units.

There are three kinds of interdependence:

● **Pooled.** This represents a low level of interdependence and little need for coordination, as with sales districts that are self-contained and independent.

● **Sequential.** This is seen in companies with vertical integration or an internal supply chain. Problems in these companies are more likely to affect other units than those with pooled interdependence. Higher levels of cooperation are required.

● **Reciprocal.** This is seen when the actions of each business unit affect many others. Each player is necessary to the solution of a problem, but no one player is sufficient. High levels of cooperation are essential to strategy execution.

Strategy affects structure, and structure in turn determines the type of interdependence. Structure also determines the steps an organization must take to achieve effective coordination and information flows.

2. Facilitate information sharing, knowledge transfer and communication.

Many formal and informal factors affect knowledge transfer among those responsible for making strategy work. Formal methods include databases, IT processes, formal roles and matrix structures. But informal methods and processes can also aid or inhibit information sharing.

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Managing Integration: Effective Coordination and Information Sharing
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Good communication comes from the effective use of informal contacts, direct communication and a common language (i.e., clear, agreed-upon metrics and goals).

Any or all of the following can either facilitate or block the communication that's needed to make strategy work:

● *The characteristics of the knowledge senders.* How reliable? How beneficial? Any motivation or agenda?

● *The characteristics of the knowledge users.* Can they understand new information and apply it to organizational goals? Is there any common ground with the sender?

● *The type of information that's being transferred.* Organizations that have a great deal of tacit knowledge and require an apprenticeship to learn a particular art, such as professional staff work, must be willing to allow time for interaction, discussion and information transfer.

● *The context within which information sharing occurs.* There may be technical problems, or there can be cultural problems. A culture of cooperation based on a common, perceived mission affects execution positively, whereas a culture marked by error avoidance and the need to blame others for poor results has a negative effect on execution.

3. Clarify responsibility and accountability. Make sure key decisions and actions are clear and unambiguous. Without responsibility and accountability, effective coordination and cooperation simply won't occur.

If you focus on these three issues, you'll generate both the organizational structure and integration methods that will make your strategy work. ■

Incentives and Controls: Supporting and Reinforcing Execution

Incentives motivate behavior to achieve the execution outcomes that you want. Here's how an organization can use incentives to facilitate strategy execution:

● **Incentives should not demotivate people.** They should satisfy the need for achievement that most managers already have.

● **Incentives fuel and guide motivation: They don't create it.** The role of incentives is to support motivation and guide behavior in the right direction.

● **Good incentives are tied to strategic objectives or short-term objectives derived from strategy.** They encourage strategy execution at all organizational levels.

● **Good incentives reward the right things.** Rewarding the wrong things will hurt the execution process.

Organizations always get what they actually reward, pay for or reinforce, even if it is occasionally unintentional or unanticipated.

Controls

Controls provide feedback about performance to reinforce execution methods, provide corrective mechanisms, and facilitate organizational learning and change.

For controls to work effectively and support execution, follow these guidelines:

● **Reward the doers, the performers.** It is critical that the organization celebrates success and rewards those who helped achieve it.

● **Face the brutal facts honestly.** Conduct autopsies when things go wrong so organizational learning can occur. Without the analysis of facts and the resultant learning, organizational change and adaptation are jeopardized.

● **Clarify responsibility and accountability.** The control process cannot work if responsibility and accountability for execution-related tasks are unclear.

● **Controls require timely and valid information.** For controls to work, up-to-date information about performance must be correct. Changes in strategy depend on feedback.

● **Leadership plays a central role in the control process.** Problems occur when managers aren't up to the leadership task. Leaders must set an example that's consistent with execution-related objectives. "Do as I say, not as I do" will destroy the control process and impede execution. Good leaders know how to use performance appraisals effectively, and avoid all-or-nothing objectives. They must demand total honesty from subordinates, and recognize and reward those who contribute to executional success.

● **Conduct a strategy review.** This is a key to execution. A good review fosters discussion, clarifies business strategy, helps set execution-related objectives, allows leaders to really understand their people, and facilitates learning and organizational change. All of these are important to successful execution. ■

Managing Change

Execution often involves change — in strategy, structure, coordination mechanisms, short-term performance measures, incentives and controls. How change is implemented can spell the difference between success and failure.

For example, Peugeot Citroën in 2003 became one of the most profitable car companies outside Japan because, management argued, it avoided the massive changes associated with major acquisitions and strategic alliances.

The inability to manage change is the single biggest obstacle to effective strategy execution. The problem is due largely to the complexity of the task, which includes:

● **Assessing the size and content of a strategic change.**

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Managing Change
(continued from page 7)

- **Determining the time available for execution.**
- **Determining the steps or tactics to be employed in managing change.**
- **Clarifying responsibility and accountability in the change process.**
- **Overcoming resistance to change.**
- **Setting up controls to monitor the results of change management.**

Evolutionary change happens in all organizations. It's routine and rarely noticed until small, minute problems become larger and loom as significant issues if action is not taken. If people avoid problems, the time frame for evolutionary change can be long.

In *sequential change*, an organization reduces its goals to smaller, ordered tasks — a preferable choice when the strategic problems are large. The downsides are that sequential change takes time, unanticipated factors can impinge on the process, and it's unexciting. Nevertheless, it's an effective way to handle large changes rationally and methodically.

Complex change occurs when a strategic problem is large, the time frame for execution is short, and many change-related tasks must be attended to simultaneously. Complex change is difficult and dangerous. It can result in poor change management and failed execution because:

- Coordination and control are difficult when many programs are going on simultaneously.
- The cause-affect analysis explaining performance deviations is impossible, so company learning is jeopardized.
- Organizations aren't willing to reduce managers' performance requirements. This inflexibility, under conditions of complex change, virtually guarantees poor outcomes. ■

Managing Culture and Culture Change

Changing culture is difficult but doable. Here are five rules for managing and changing culture:

1. The reasons for change must be clear, compelling and agreed upon by key players. Cause-affect analysis and learning are vital to successful change. There must be a clear, honest explanation of poor prior performance before people will accept new execution methods or cultural change as legitimate and necessary.

2. Focus on changing behavior — not directly on changing culture. Focus on behavioral changes, which can lead to culture change. New people, incentives, controls and organizational structures can motivate behavioral change and lead changes in organizational culture.

3. Effective communication is vital. The company must develop a communication plan, and leadership must communicate directly with people affected by the changes.

4. There must be an adequate effort to reduce resistance. Top managers must communicate the positive aspects of change, deal with the potential negatives, and improve participation and involvement in defining or diffusing change and its consequences.

5. Beware of excessive speed. Speed in managing culture change may be desirable or necessary — but it's fraught with problems. Changing too many things simultaneously and immediately can confuse the change process and make coordination and communication difficult. ■

Power, Influence and Execution

Power is vital to execution. Attempts to execute strategy that violate the power structure of an organization always face difficulties and are often doomed to failure.

Power is simply the opposite of dependency. An individual or unit, A, has power over another, B, if A has information or resources B needs and can't get elsewhere. If you have a monopoly on the fulfillment of someone else's needs, you have power. Problems arise because the business units solving critical problems of an organization are rewarded in an uneven distribution of scarce resources, which leads to differences in the dependencies that create power relationships.

Having power facilitates the formulation and execution of strategy. But an individual, unit, department or function lacking in power and influence can form a coalition with those who do have influence, to foster and support execution. The logic is that of a joint venture: Joining forces in creating power bases by combining individuals' and units' potential for power allows for more effective execution than an individual or unit could achieve alone.

Support

To receive support, execution methods and plans must produce clear, measurable and positive value-added results. Hierarchical superiors or potential joint venture/coalition partners within the organization will support execution if they can see and measure its results in value-added contributions to the organization. As this process continues, individuals and units acquire a reputation for producing positive results and thus gain credibility and additional influence in creating the power bases for future executional efforts.

Those who have power typically want to keep it — a possible downside for the organization. People in power may persist in doing what's necessary to perpetuate their positions, even if their actions are inappropriate under different or changing conditions. If this happens, the CEO and executive team must alter the power structure by changing strategy, structure or resource allocations, which in turn can affect the dependencies that define power relationships. ■