

the navalent

quarterly



LEAD

WINTER 2017

Transition: *Opportunity
for growth*

Lead: *Change and
transition*

Ambition: *The need
to succeed*

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Don't Take Me to Your Leader

By Jarrod Shappell

My maroon cap and gown were hanging in the closet. My \$60 Payless dress shoes had been polished. On the eve of my undergraduate convocation, my girlfriend asked one simple question, “What do you see yourself doing with this degree?”

“I want to be the boss someday,” I replied. “All I know is I want to lead.”

12 years later, I am not sure that is the case. And my peers agree with me.

We no longer admire our leaders. President Trump’s decisions are questioned on a daily basis. Media moguls befall to scandal. Frauds are uncovered daily. It is no wonder that CEOs are being let go at rates we’ve never seen before. Collective distrust of leaders has risen. And yet conversely, the expectations of what a leader can accomplish have sky rocketed. Trust is down, expectations up. It’s a set up for failure for almost any leader.

To develop leaders to meet this unique challenge, organizations create “leadership-cultures” and focus on “high performance leadership teams.” Management consultants reduce leadership to a formulaic practice of tips and tricks. Gurus publish books correlating behaviors to Dow Jones success. But are any of these things working?

Perhaps you are feeling what we have felt as we've worked with clients: it's not that simple anymore (and perhaps it never was). Leading in this age is a unique challenge. Why?

We live in an age of anxiety. Studies show that 1/3 of Americans suffer from anxiety. It is now the largest mental health disorder in the United States. This is an important topic for organizations and its leaders to consider today. If 1/3 of your organization is suffering from high levels of anxiety (including you as a leader) they likely perceive threats when there are none, irrationally seek certainty, and move to resolution prematurely. In a good hearted attempt to listen and respond to the fears and concerns of those around us, leaders often forfeit the kind of firm decision-making and moral fortitude that our families, institutions, and legislature need. What leaders today are struggling to understand is that easing the anxiety of others does not necessarily mean giving into the overestimation of danger. In an age of anxiety leaders must help others believe in their ability to deal with that danger (imagined or real). A leader in this age must have their own convictions so that they are responding thoughtfully and not reactively (even in the face of being called cruel or reckless).


Leading in this age
requires imagination,
resilience and nerve.

We live in an age of sameness. As humans we all have a desire to belong. Today's technologies have intensified our ability to bond together. We are in Facebook groups, Slack channels, and message boards that connect us with those we share things in common with. And while born from our need to belong, these technologies often draw us further from respectful dialogue into fanatical fundamentalism. In this age, leaders that attempt to have sane dialogues and make thoughtful decisions run into the polarization that affinity groups tend to divide us with. We certainly see this dynamic in Western politics, but we are also seeing it in companies today, as their organizational divisions (business units, regions, product lines, departments) become fault lines hosting border wars and leaders rivaling for resources and advancement. Leading in this age requires that we bind together people of difference into trusting relationships and resist the urge to troll and be trolled. What makes that painfully hard is leaders must surrender some of the very individualism they drew from to distinguish themselves in order to rise up to assume bigger leadership roles. Now they must set that rugged individualism aside in favor of more inclusive leadership – something that they are likely ill prepared to do.

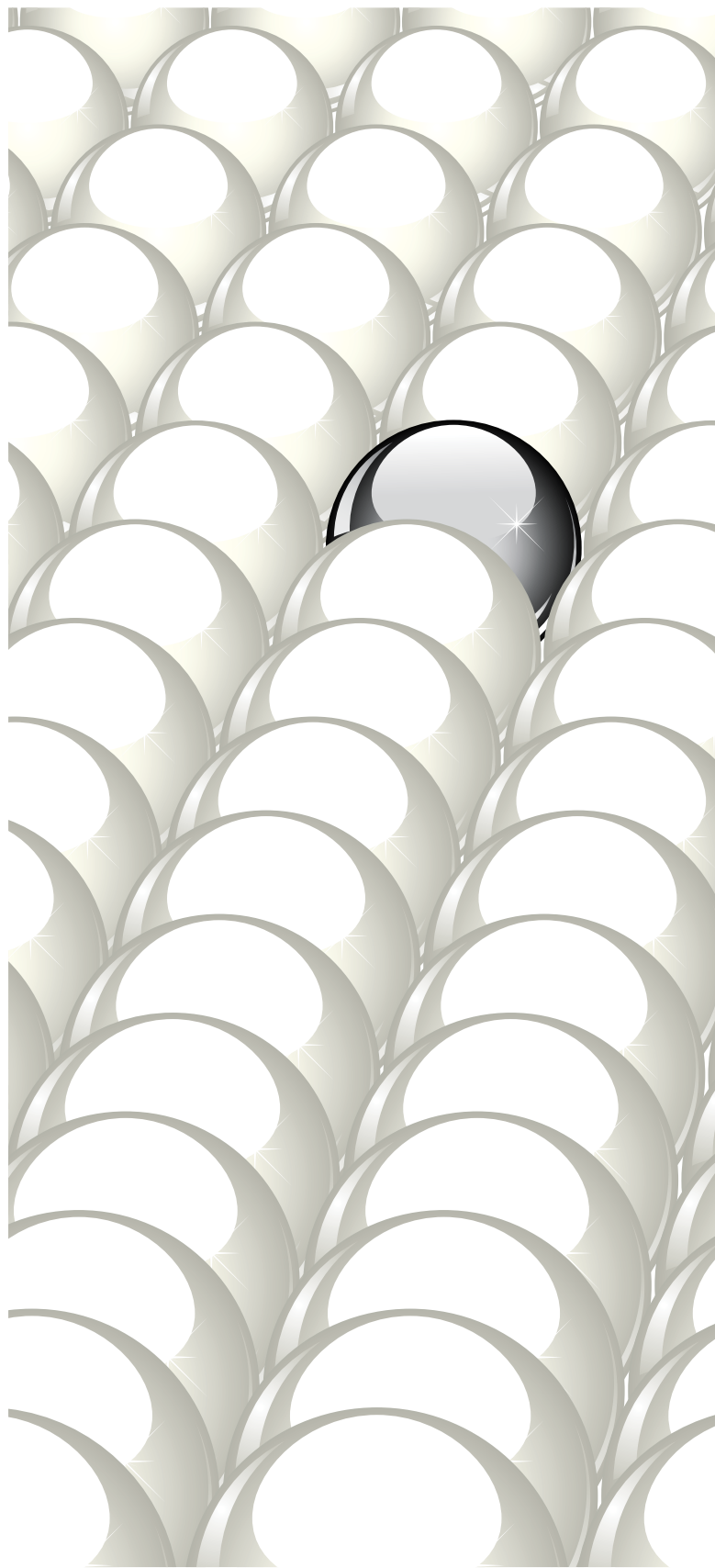
We live in an age of speed. In 2012 a study showed that if a website does not load in less than four seconds, users are 7x more likely to leave the site. Today the expectation is less than one second. As a society, we want it all and we want it NOW. And like a fish in a stream, most leaders speed through difficult times in their organization hoping that when they get downstream there will be some evidence of progress.

The enormity of effort required to lead is at best overlooked and at worst actively avoided. Leadership in this age requires we stand against the raging waters and demonstrate intentional, thoughtful, decision-making – which takes far more time than those around us are conditioned to expect.

We live in an age of possibility. Magazine covers promise Mars landings, artificial intelligence, and flying cars. Marc Andreessen, a now legendary silicon valley VC and investor in the aforementioned futures, recently said, “For the first time in history, humankind, liberated by computers and robots from physical constraints, will be able to express its full and true nature.” This kind of language both inspires the mind and can cripple action. With great possibility, comes great responsibility. And as technology increases our abilities to analyze, manufacture, travel, discover, and relate the possibilities for our organizations can feel limitless. Therefore making a decision (the Latin word *ceder* actually means “to cut”) in an age of possibility requires a willingness to give some possibilities up, knowing that there will be disappointment, so that some possibilities can flourish.

This Navalent Quarterly 12 is for those who want to LEAD in this complicated age. It is for 22-year-old-cap-and-gown-me. And it is for 33 year old me, and it is for future 45 year old me. It is for those who believe that if more is being asked of leaders, then more should be delivered. Whether you are a start-up founder growing into your CEO shoes or a tenured executive approaching retirement. Whether you are in an established industry at a company with cornerstone products or in a technology rich industry full of disruption and consolidation. Leading in this age requires imagination, resilience and nerve. We hope that the posts that follow can restore the desire to lead and lead well. 

A leader in this age must have their own convictions so that they are responding thoughtfully and not reactively.





Our Ten-Year Study Reveals What Makes Executives Exceptional

By Ron Carucci

It's no secret that not all "leadership" is created equal. The wide array of definitions of "good" leadership is nearly endless. The risks and potential consequences of executive leadership are far greater than other forms of leadership. As part of our ten-year longitudinal study on executive transitions, which included more than 2,700 leadership interviews, we did a rigorous statistical analysis (including more than 90 regression analyses) to isolate the skills of the top-performing executives. We isolated seven performance factors correlated to strong organizational performance as well as leadership strengths through IBM Watson's content analysis tools as well as historical performance reviews of these leaders and their direct reports.

Our intent was to identify the greatest executives from among the top, otherwise good, executives to detect what distinguished them. What separated the "best of the best" from everyone else is a consistent display of mastery across four highly-correlated dimensions, while "good" executives may have only excelled in two or three. Executives who shine across these dimensions achieve the greatest success for themselves and their organizations. To hear more about these patterns "in action," you can view this whiteboard session at HBR.

BREADTH: Connecting Organizational Dots

Exceptional executives have deep knowledge of how the pieces of the organization fit together to create value and deliver results. Many leaders arrive into the C-suite having grown up in functions like Marketing or Finance and lean too heavily on instincts and cognitive biases shaped by their ascent within those disciplines. Leaders who ran one business of a multi-business enterprise often favor that business within the larger portfolio. Exceptional executives defy such predispositions in order to integrate the entire organization into a well synchronized machine. Executives develop breadth by broadening their exposure to the full organization, taking assignments across disciplines, and paying particular attention to linking organizational seams.

They also focus on strengthening the organization's seams to minimize poor coordination and fragmentation while maximizing the things the organization must do in competitively distinct ways.. They ensure key capabilities that exist only at the seams deliver differentiated results. One client struggled for years to consistently meet customer satisfaction expectations. In comparative rankings they were generally at or near the bottom of the list. Sales traded on the strength of personal relationships with key individuals. Customer Marketing, a newer, less-understood function, reported up separately from Sales and the Brand businesses. When quarterly forecasts were missed again, Sales retrenched to fix a pricing issue, Customer Marketing focused on better content, and Supply Chain tried to stay ahead of last-minute changes. When all their well-intentioned, but separate, solutions showed up at retail, customer satisfaction never improved. Ironically it was the head of R&D who forced all the functions into a room to solve the problem systemically. Together, they revealed obstinate issues of coordination and contradicting priorities between functions who needed to synch up to meet customer expectations. A year later their customer satisfaction improved by 40%.

CHOICE: Constructing Great Decisions

Exemplary executives have the ability to declare their views, engage others' ideas, analyze data for insights, weigh alternatives, own the final call, and communicate the decision clearly. This skill inspires markedly higher confidence and focus among those they lead. Because they're good decision-makers, they're also good prioritizers, since setting priorities is all about selectively choosing from among various tradeoffs. At the heart of great decision making lies a balance between instinct and analytics. On one end of the continuum are leaders who "trust their guts." They combine experience and emotion into well-developed intuition. On the other end of the continuum is the leader who relies on exhaustively mining data for insightful perspective to address the decision or problem they face. Exceptional executives function fluidly along this entire continuum, and recognize where their predispositions lie for either being overly impulsive or paralyzed by analysis..

The importance of this can't be overstated. Making good decisions seems to be a comparatively rare skill. In one McKinsey survey of 2,207 executives, only 28 percent said that the quality of strategic decisions in their companies was generally good, 60 percent thought that bad decisions were about as frequent as good ones, and the remaining 12 percent thought good decisions were altogether infrequent. This is consistent with our own findings. The proclivity of bad decision making is usually intensified by poor decision making systems in organizations. So even leaders whose instincts might otherwise be effective have their ability compromised. In addition to a well-defined process for making and communicating decisions, exemplars ensure successful execution by sustaining laser focus on the choices they have made to avoid overwhelming the system with too many priorities. Executives develop choice by designing and participating in decision making systems that bring clarity and accountability to the organization. They must also know their own predispositions to impulsivity or paralysis when it comes to balancing instinct and analytics.




CONTEXT: Knowing the Playing Field

Exceptional executives maintain a solid grasp on the ever-changing context within which their business competes. Their natural contextual intelligence lies at the intersection of insights into how their organization uniquely competes and makes money, and what is most relevant to the customers they serve — even when customers may not know themselves. The ability to apply intricate wisdom of one's business to emerging competitive threats requires the ability to see trends and emerging possibilities on a multi-year horizon. Too often, leaders are stymied by competing investment options or caught flatfooted in the face of profit shortfalls. Lacking an understanding of how value is delivered to their market, they make suboptimal investments. More typically, they reflexively make across-the-board cost cuts that restrict their ability to maneuver in a shifting competitive arena. The exemplars were described as having innate curiosity and deep knowledge of their business context which they apply to wider economic, technological, and customer trends. Armed with a clear point of view, exemplars more readily addressed threats and took earlier advantage of opportunities. Executives develop context by grounding themselves in external realities of their organization, by remaining curious about adjacent industries, and seeking disconfirming data about commonly held assumptions regarding their company.

CONNECTION: Deep, Trusting Relationships

Every organization has executives everyone wants to work for. These executives form deep connections with superiors, peers, and direct reports. They communicate in compelling ways and reach beyond superficial transactions to form mutually beneficial, trusting relationships. Their legacy becomes a positive reputation within the organization for consistently delivering results while genuinely caring for those who deliver them. Exceptional executives study and meet the needs of key stakeholders. It was no surprise that of the four dimensions, relational failure led to the quickest demise among second-best executives. While exceptional executives led with a humble confidence that graciously extended care to others, second-best executives were inclined to manage perceptions, creating the illusion of collaboration while masking self-interested motives. Executives develop connection by investing heavily in their own emotional and social intelligence, actively solicit feedback about how others experience them, and learn to be vulnerable with their shortcomings to create trust with others.

There's a lot of research on the importance of executive relationships. One study revealed that executive's fears of appearing incompetent, underachieving, and political attacks from rivals accounted for 60% of bad behavior among executive team relationships. Another study supports our findings that among the high failure rate of transitioning executives, failed relationships account for a disproportionately higher percentage of all executive failure.

While it may seem like a high bar to suggest being an exceptional executive requires mastery in all these dimensions, the data are undeniable. After more than 90 regression analyses, the correlations returned conclusively confirmation all four are what distinguish top executives. All four of these attributes are learnable, and it's never too early to start developing these skills. Consider where in your current role you have the greatest opportunity for more impact, and which of these four dimensions might be holding you back. You will quickly find they are highly interrelated. So learning more about your own company's business may require building relationships in other departments. Making sharper investment choices might require learning more about your industry's changing context. Pick one place to start that will accelerate your impact, and you will be surprised at how quickly you and others see the difference. 

How You Shape Culture and Business Outcomes Beyond You

By Josh Epperson



Beyond direct reports, who do you lead?

Leaders often fail to act on the awareness their behavior has on the strategic outcomes of their company as a whole. Whether you realize it or not, your leadership extends beyond your team to shape a collective Operative Narrative. Are you aware of this ripple effect your leadership has on shaping a top to bottom movement for or against your company's strategy?

In *Revitalizing Your Corporate Culture*, Franklin Ashby writes about the importance of leaders' ability to understand the affective domain. "Great leaders understand people — what causes them to act and react the way they do. They recognize the importance of being a motivating factor for people —appealing to the drives and the feelings of others."

Unconscious and misguided affect permeates beyond your team. Your skepticism about a business's growth during a town hall or discrediting a function's value

(even if accurate) during an extended leadership team meeting has a greater effect than you might imagine. Not to mention the hallway jokes or happy hour cynicism. The effect of your affect leads to a disengaged employee base — leaders who stay amongst your ranks but check out while doing so. For every hour they are disengaged, you can be confident those leaders are not moving your company agenda forward and worse still, they may be actively undermining it. Employee disengagement is not an abstract idea. In 2017, statistics indicate that 51% of the U.S. workforce is not engaged, a fact that costs organizations between \$450-\$550 billion dollars, annually.

Leaders must be aware of the company culture — norms — their leadership creates and reinforces. Culture is a statistically relevant lever when it comes to strategy execution and leadership plays a significant role in shaping it. You must understand the way your thoughts, feelings, and behaviors motivate other leaders to think, feel, and behave in similar ways.

Consider that an indictment or exoneration, depending on the collective license your leadership encourages. Connecting the dots between a company's strategy and the culture most likely to support those outcomes is mission critical.

Here are four questions to ask yourself about the role your leadership plays in creating or reinforcing an environment that supports your strategy:

1. Are you clear on the behaviors that ensure and undermine your strategy?
2. Are you known as a leader who exhibits mission critical leadership behaviors?
3. Do you know what triggers your leadership to undermine mission critical behaviors?
4. Do you make changes in your leadership based on that awareness?

Your effectiveness as a leader and success as a company, requires a resounding, "Yes" to all four questions. Navalent's Leading Transformation in Organizations e-book goes deep on this topic. If you answered "No" to any of these questions you need to get reliable data from direct reports and stakeholders alike in one or most likely, two areas: 1) your emotional intelligence, and 2) your relational intelligence.

- **Emotional Intelligence** is sometimes referred to as intrapersonal effectiveness, or one's ability to understand his/her individual emotions and their impact on his/her behavior.

- **Relational Intelligence** is sometimes referred to as interpersonal effectiveness or one's ability to understand how their behavior impacts others.

The HAY Group's Emotional and Social Competency Inventory (ESCI) is one assessment designed to accurately gauge your effectiveness in these two areas. The inventory looks at 12 competencies across four quadrants: Self-Awareness, Self-Management, Social-Awareness, and Relationship Management. Findings help leaders answer the question, "Am I aware of myself and others and am I effective at regulating my leadership in those areas?"



Emotional and Social Competency Inventory



Self-Awareness

- Emotional Self-Awareness

Self-Management

- Achievement Orientation
- Adaptability
- Emotional Self-Control
- Positive Outlook

Social Awareness

- Empathy
- Organizational Awareness

Relationship Management

- Conflict management
- Coach and Mentor
- Influence
- Inspirational Leadership
- Teamwork

From beginning to end, our work with leaders and organizations is grounded in data. Stakeholder interviews, archival business reviews, and assessments like the ESCI provide a multi-faceted look at leaders and the businesses they run. More and more, I find myself working with leaders up and down organizations who tout the significance of awareness and who even exhibit knowledge about themselves and others, but who fail to act on it. I can't tell you how many times I've heard the following when leaders are faced with such a comprehensive storyline about their leadership: "Yeah, I've heard that before...I've heard that too." Their response is twofold: 1) that confirms what I already know, and 2) we can move on to another topic. To which my response is simple, "So, what are you doing about it?" That's where the Self-Management and Relationship Management competence comes into play.

Knowledge is power only to the extent you act on it. Talking about the way your leadership must change is different than acting on those changes. All of your stakeholders — and I do mean all — are looking for signals from you regarding what they should value, believe, and ultimately what they should model their leadership after. Yes, it's true, your actions speak louder than words — they affect a collective approach to getting work done and realizing results.

What Leaders (especially OD, HR, Strategy and Finance) Need to Know About the Executives They Support

By Mindy Millward



Continuity and long-term success of an organization rest not only in the hands of the CEO, but are also the responsibility of the leaders around the CEO (especially OD, HR, Strategy and Finance).

Those who serve CEOs need to make sure their chief executives are grounded in reality. They must help the CEO build a long-term vision that meets the needs of the myriad of stakeholders in their universe and ensure that connections are made across the organization to deliver against that vision. These are all critical components for ensuring continuity and the organization's ultimate success. Being able to do this well, especially from a services or functional role (such as Strategy, Finance or HR) requires an intimate understanding of the world of the CEO and how a leader can best support him.

Much has been written about the world of a CEO but it is hard to grasp from a distance. Even first time CEOs are often amazed by how different the role is from what they imagined (regardless of how long they have been preparing for it). Life as a CEO is 24/7. With news cycle and social media platforms that never rest, global business partners, customer demands, and media's attention on an executive's every step (or at least their missteps), there is no true down time.

**The median tenure
for a CEO at S&P 500
companies is six years.**

And there is staggering complexity in a CEO's set of stakeholders. Gone are the days of solely "managing the Board" and being the public face of an organization that runs well on its own. Constituents now include a broad and diverse universe, many of whom don't even have formal connections to the company, but certainly have a point of view that a CEO must be aware of and manage. Increasingly, CEOs are asked to both be adept and skillful at ensuring the long-term viability of the business while also effectively triaging the short-term and making the right bets. They have little time for coaching and even less time for teaching. The bottom line is, everybody wants something from a CEO, has something to sell him, or is looking for a scandal.

The CEO must discern whether it is a battle he needs to win or just a distraction for the larger purpose.

So what do CEOs have to be in order to lead effectively? They have to be multi-dexterous. This is more complex than multi-tasking; it's not just the ability to complete several tasks at the same time but rather being facile or adroit in one's thinking, planning, communicating, and connecting. CEOs must be masterful storytellers and have an ability to paint a picture that a disparate set of stakeholders can believe and find themselves in. They have to be skilled at pattern recognition, constantly seeking and recognizing data that either confirms or changes their hypotheses on how effectively they are leading

change. And they have to constantly be thinking about the long game — with each conversation, interaction, or connection — determining how something fits into the grand scheme towards success. The CEO must discern whether it is a battle he needs to win or just a distraction for the larger purpose. The amount of variables CEOs need to keep at forefront of mind at any one point in time is staggering.

So what does that mean for you? The first step in successfully supporting the CEO you serve is to be wary of your own false assumptions. Some of the most common (and detrimental) are:

She/he asked me to do this so it must be on his/her radar. Given the competing demands they face, if you are seeing your CEO on a regular basis it's incumbent on you to bring the conversation and the work into the room. Don't expect that, even though they told you last time that an initiative was one of the most important things they needed to accomplish, that they have had time to give it a second thought since then. Don't jump back into the middle of a conversation expecting his/her mind to be exactly where it was two weeks ago. This doesn't mean the work isn't important — to the contrary, it's so important that it's your role to keep it on the radar and advance your work together.

They are the boss and therefore the decider. It would seem to be common sense, having gotten to the lead role in your career and on the senior team, that it would be clear what leadership means for you. But too often we see functional and operational leads that err on the side of presenting a myriad of options to the boss, all with the hopes or expectation that someone else will make the decision (and ultimately be responsible). The great CEOs we work with pause with every request for a decision and ask, "Who else have you involved? What do your peers think? What is your recommendation?" Remember, if your boss has to constantly be the decider, it is not overly clear what value you add.

I will help them by speaking for them/be their voice. A fatal mistake many leaders of support functions make is a misguided attempt to speak for their leader. Instead, a leader should work to make sure the CEO has sound-bites, talking points, and stump speeches prepared and help him/her keep on point when they are out in front of an issue. Your voice has to be in harmony with the CEO's but acting as their mouthpiece (even if to keep them out of the details and not bother them) can only lead you down a path to unwanted exposure and potential for missteps.

As their General Counsel/HR Leader/CFO/etc. I know everything they are dealing with. Even if appointed as the CEO's "consigliere" or trusted advisor, it is highly unlikely you are the only one they look to for advice, counsel, and support. In truth, most CEOs have a cadre of close-in people (some in their organization, some from outside or personal relationships) they look to as sounding boards. Knowing that and being aware of your areas of "advice expertise" as well as forming your own connections with those leaders, where possible, can only support you in offering sage advice. It's impossible to be the one person they turn to for everything — testament to how complex their role is.

Finally, the tone really is set at the top. Want to lead in an environment that puts people first, values diverse contributions, and seeks to appreciate and acknowledge that it truly does "take a village" for an organization to be successful? Don't kid yourself into thinking that the actions and words of your leader can be overshadowed or compensated for by a culture campaign or slick communications strategy. The reality is, the impact of the leader you work for is far-reaching and has both real and symbolic impact. Ultimately as expressed in the iconic West Wing episode, "I serve at the pleasure of the President." You can stop "Bartlett from being Bartlett" for a little while but ultimately the CEO is where the buck starts and stops in terms of the operating environment you will drive. So make sure you choose a CEO who shares your values. 🚩



The bottom line is,
everybody wants
something from a CEO.



Leadership Development Machines Run Amuck

By Ron Carucci

Can you identify the “good” leaders in your organization, those that consistently deliver results, those who others are clamoring to work with, those with insightful ideas and who champion others’ agendas? Inevitably, you can. Moving past whether leaders are born or made (it’s both), how do organizations identify the competencies required to lead? Then, how do they effectively replicate those competencies? To answer, you must first understand how often the ideas meant to promote leadership development inadvertently undermine the very capacity they seek to build.

Unintended Barriers Undermining Leadership Development

DEVELOPING LEADERS VS. LEADERSHIP

No doubt, organizations invest in development. Total 2016 training in the U.S. alone topped \$70B, with 32% or \$22.6B targeted at executive and management development. And, the majority of surveyed businesses projected to increase or maintain their budgets for Executive and Management Development in 2017.

Unfortunately, results are less impressive than the expenditure. Research from U.S. Bureau of Labor Statistics, Aberdeen, and others show that organizations are losing the battle to replace senior talent with qualified incumbents. The 2014 UNC Leadership Survey highlighted that 85 percent of respondents feel an urgent need to accelerate the development of their leaders. Senior leaders aren’t satisfied with current bench strength. Just 40 percent report that their high-potentials can meet future business needs.

Like other organization initiatives, leadership development programs can take on lives of their own.

Why does so much expenditure to build leadership yield so little? The first clue is in the question itself. Most organizations invest in building stronger leaders, which is markedly different from building leadership capacity. One focuses on individuals aimed at changing individual behavior and impact, perpetuating the faulty notion that leadership is an individual act.

Multi-rater feedback creates insights about how others experience leaders, so the de facto question development must address is, “How do I adjust so my behavior is helpful – or minimally less irritating? And, the subsequent question is often never asked, “change behavior to what end?” Is less irritating or more helpful (read “liked”) really the goal? The question misses a vital component of leadership development: context.

LEADERSHIP DEVELOPMENT DEVOID OF CONTEXT

Organizations exist, compete, and effectively develop in a specific context which defines the leadership behaviors required for success. These imposing market forces often conspire to distort and even create competing behaviors that impair organization performance. But ignoring all of this, most development still takes place in a distant parallel universe.

Sadly, most development interventions never put leaders in the context of their company’s business, and most competency models are designed outside of business realities. Other factors compound the contextual distance between learning in situ as opposed to in a classroom. Learning that takes place outside of the work environment risks being disconnected and when the timing of development is not concurrent with an actual change, little is retained. But, ensuring proper context is only the beginning.

CONTENT AT THE EXPENSE OF EXPERIENCE

It’s stunning that organizations still deliver leadership training to all levels of their organizations. External lecturers and internal leaders crowd development agendas. Even assuming that their content is firmly in the right context and focuses on the development of leadership capability rather than individual leaders, it still falls short because leadership isn’t learned by talking about it. It’s learned by doing. Despite mountains of research about adult learning, organizations are still defaulting to “teaching” leadership.

Admittedly, involving executives in leadership development is a terrific tactic, but there are more productive ways to leverage their experience other than having them speak to a slide deck. A recent client tasked with implementing a new go-to-market model globally developed a three-day program crammed with slides and case studies. After the first failed session he called in a panic. Participants struggled to engage. Participants agreed that the content was correct, but they were given no way to assimilate or apply it. After reworking the content together to allow for interaction, bringing their experiences into the room and collaborating to solve real challenges facing the company, the results were night and day. Both sessions used the same content, but the results couldn’t have been more different.

MILITANT PROGRAMMATIC INTERVENTIONS

Like other organization initiatives, leadership development programs can take on lives of their own. Once programs are built out, many companies switch the “development machinery” to autopilot. Eventually, symptoms like mindless devotion to processes, forced job rotations, succession slates, and forced mentoring assignments emerge. One client noticed an increasing failure rate among director-level leaders and described it as an “onboarding” problem, believing that newly promoted leaders needed more tools although they weren’t sure exactly which tools to deploy. After reviewing their development process, we uncovered a ruthless system of forced promotion. No one was permitted to “get comfortable” in their job. Everyone had to move up on a predetermined schedule. This ingrained process was taking a toll. They struggled to concede the point, but ultimately abandoned the practice. Vigilance to reduce the number of militant programmatic interventions is a difficult, but vital part of effectively managing your development capability.

FRAGMENTED PARTS UNDERMINING THE WHOLE

Leadership development is a multifaceted effort, and though it may be “owned” in HR, ultimately line leaders must be held accountable to improve leadership capacity. Consider what holistic portfolio of leadership development activities is optimal for your particular context, and how you can effectively embed them into the fabric of the organization—facilitated (not driven) by a centralized team. Unfortunately there is no off-the-shelf package that will do this for you because it is intimately tied to your particular organization. Now, where do you begin?

Finding Valence: Build Leadership Capacity in Context

DEVELOP LEADERSHIP AS A COLLECTIVE CAPACITY

Leadership is a distinct, collective capability in an organization – a potent capacity that doesn’t rely just on a few individuals. The “leadership quotient” of an organization is measured more in the strength of relationships among leaders, in the collective understanding and ownership of the enterprise agenda, in the ebb and flow of taking and communicating clear decisions, and in the accountability of leading and reinforcing the same.

Build leadership development initiatives around naturally occurring cohorts of leaders focused on markets, products, customers, or geographical boundaries. Follow the natural groupings which will drive the execution of your strategy. Reinforce that their leadership is an underpinning force to grow the business. Diminish their beliefs that their leadership only matters to those who report to them.



AIM DEVELOPMENT AT “DOING” INSTEAD OF “KNOWING”

Investing excessive resources in leadership lectures isn't productive. Leadership flows mostly from “doing” so engage cohorts of developing leaders in the active work of advancing the company's strategy and performance. Use real experiences to strengthen leadership capacity.

Leadership development is usually positioned as preparatory to participating in initiatives such as new strategy development, merger integration, organization redesign, or other major initiatives. Flip this around. Use major initiatives to develop leadership capacity. Target participation and build learning into the initiatives. Stretch their thinking about the implications of the changes they are designing and how their leadership must evolve for future success. Unless consciously designed, shaping new leadership behaviors is left on the table.

LEVERAGE THE NATURAL PATTERNS OF THE ORGANIZATION


Your organization is a dynamic, living system with a unique culture consisting of strong, tacit patterns of engagement for “how things get done.” Understanding this ecosystem is another leverageable asset for developing leaders in situ versus disconnected from each other and their organizational context. Identify natural groupings of leaders. Learn why certain formations have developed and their impact. Then, intervene in real time by helping leaders modify their choices. A simple example of this involved habitual morning coffee for three leaders who met most mornings to talk. This is the very definition of informal –a pattern that started because of individual habits. Naturally, talk turned to business. Eventually they began making decisions; however, there was another key player who didn't participate in the morning ritual, but who should have been included on the decision. They realized this when they ran into a road block. Their simple solution was to include him.

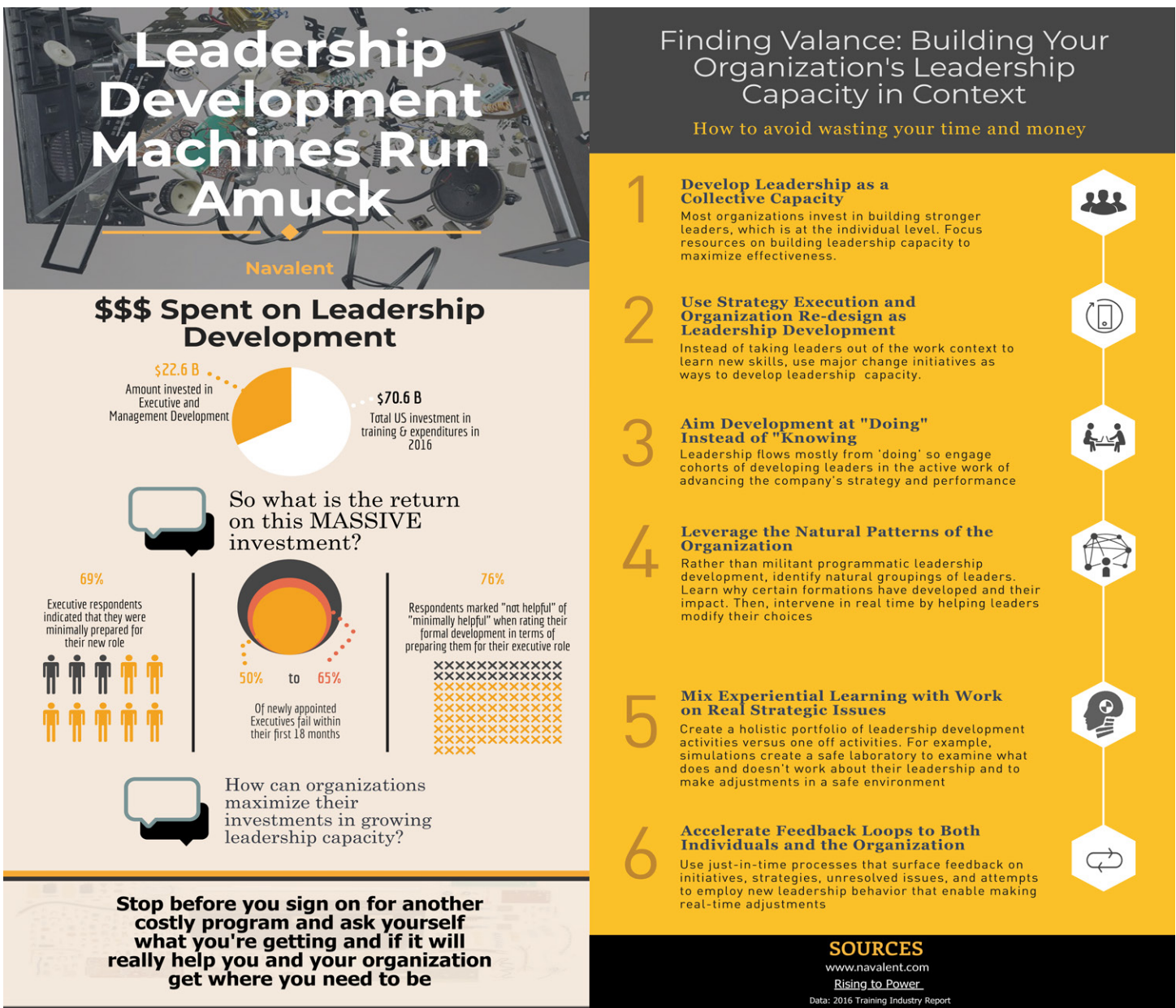
ALTERNATE EXPERIENTIAL LEARNING WITH WORK ON REAL STRATEGIC ISSUES

Quality leadership development experiences are just that – experiences. Sometimes it is necessary to isolate specific behavioral and relational patterns by creating a “metaphor” in which leaders can “lead” while focusing more on skill development than the actual task, more on context than content. For these instances, we use simulations, fabricating organizations with “real” issues in which leaders are immersed and expected to lead. While simulations are fictitious, they are “real” in that the stakes are high with actual consequences for their actions which surfaces, even amplifies, their natural instincts under the pressure. Most importantly, simulations create a safe laboratory to examine what does and doesn't work about their leadership and to make adjustments in a safe environment. We then transition them to work on actual challenges in their own organizations, equipped with a broader array of behavioral and relational options to increase their positive influence on performance and results.

**Leadership is a distinct, collective
capability in an organization –
a potent capacity that doesn't
rely just on a few individuals.**

ACCELERATE FEEDBACK LOOPS TO BOTH INDIVIDUALS AND THE ORGANIZATION

Finally, real-time data facilitates making effective course corrections and accelerating performance. Quicker feedback loops for insights about leadership choices and the organizational consequences accelerate performance gains. Build in feedback, but avoid cumbersome 360 processes. Use just-in-time processes that surface feedback on initiatives, strategies, unresolved issues, and attempts to employ new leadership behavior that enable making real-time adjustments. Well facilitated focus groups, fast-cycle interview processes, and even brief online survey tools, used effectively, generate insights that strengthen relationships between leaders and encourage transparent exchanges in which helpful feedback is exchanged routinely and applied confidently. 



Who's the Boss? Not Me.

By Jarrod Shappell



2007 Pinot Noir. Rosemary and sea salt crackers. A cheese whose name was too French for me to pronounce. This generous gift basket had arrived at my door, addressed to me, but for the life of me I could not figure out why.

I texted my wife. “Any idea why I’d be receiving a gift basket?”

Her reply. “For being a newly appointed Partner, you sure are dumb.”

Though a bit bitter for my taste, her words helped me notice that I had not given weight to my recent promotion. Just days after “making Partner” in our firm, I had returned to business as usual. My quality of work had not evolved, my sense of responsibility had not increased, my efforts had not multiplied. I had been given additional positional authority, but my behavior had not changed.

If you resonate with those feelings at all, you’re likely facing the challenge of leading from the middle.

Every organization has a pecking order (both perceived and real) and for most of us, it does not matter if you are second in command or tenth, if you are not The Boss, you see yourself as less responsible for the direction of the company. You may have a title that infers management responsibility, but you aren’t sure of the authority you have to influence others in the organization. You might be feeling “I’m not THE Boss. So how do I truly lead?”

So to the partners, directors, and managers reading this, what do we need to do to embrace our power and ensure that we don’t fritter away our power and have the impact our organizations need from us to be successful?

Learning from one failed product launch, could provide insight to avoid another kind of failure.

BELIEVE IN YOUR EFFICACY

It all begins in seeing the value in being “a boss.” The false assumption that change only happens from the top, will doom your organizational ascension before it even begins. Not to mention the doom it can bring your organization! For example, too often leaders in the middle knock on the CEO’s door with a good idea only to be discouraged at how quickly it was dismissed. Don’t be content with offering your point of view, make sure it’s understood. You are not simply a mouth piece for those above you. Nor are you merely a conduit for information from those that report to you. Believing in and asserting your voice is both great developmental practice for yourself and high quality input for whoever is The Boss.

LET GO OF THE NEED TO BE RIGHT

And while you want to offer your point of view with confidence, there is an inherent tension when you are not the leader of the organization. Your leader may go against your proposal. Find value in that you contribute to the decision, not in the outcome of the decision.

MAXIMIZE YOUR OPPORTUNITIES

The Boss’ schedule is filled with public appearances and board meetings. Therefore unique, future-oriented opportunities will arise and can have tremendous benefit for the organization. You may be able to see these opportunities coming, or they might sneak up without warning. You must be prepared to recognize and act on those unique projects. This may mean intentionally volunteering for projects that are tangential to your day job or advocating for your participation in a project that is not in your jurisdiction. Finding and taking advantage of these opportunities, without self-promotion and self-interest, is key to leading from the middle.

CONNECT THE DOTS

As you get higher and higher in an organization, leaders have a distorted view of things on the ground (at the plant, with the customer, in the market). One of the most valuable things about not being The Boss, is that you can more clearly see why things did or did not work. Learning from one failed product launch, could provide insight to avoid another kind of failure. Understanding an emerging trend in one region could redirect efforts for the global enterprise. Your ability to connect what is happening on the ground to the larger strategy (or your manager’s priorities) is an irreplaceable gift to your organization and The Boss.




**If you can lead well without being
The Boss, you prove you do not need
a title to get something done.**

LEAD WHO YOU'VE BEEN GIVEN

Leading from the middle requires comfort with being both a subordinate and a superior. At times you may need to be assertive and other times understanding or even deferent. Managing this tension is why so many managers burn out. That said, middle managers must be an effective conduit for their leaders and their own staffs. As you develop relationships with your managers, seek to understand their agendas, not just so that you can succeed, but so that you can more clearly articulate what is required of those that report to you. Stay away from sentiments like “I don’t understand this, but The Boss said...” Your behavior and tone towards your superiors is modeling the behavior that you want from those that report to you. The commitment and dedication you show to your superiors will be returned to you by your team.

KEEP DREAMING

Being partner or senior vice president doesn’t mean that its betrayal to think of what is next for yourself. As we have written about before you have opportunities to root in the organization in which you are planted, supplement your work with things where you have more authority or control, or begin to calculate your next vocational leap...all while in your current position. Doing this ensures that your lack of authority doesn’t turn into a deep resentment towards those who are in authority.

It takes a patient and thoughtful leader to lead from the middle. If you can lead well without being The Boss, you prove you do not need a title to get something done and that you are worthy of many more gift baskets. 





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