

The Leadership**Impact** Newsletter

Monthly Tips & Insights for Effective Leadership
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Bringing Out the Best in People –WHY?

The mission of Leadership Impact is to help leaders and their organizations excel by bringing out the best in people and aligning their talents with the goals of the organization.

A healthy organization is marked by peak individual & team performance and a spirit of innovation & collaboration. Coordinated decision-making and action lead to market leadership & growth.

Because of the complexity of modern organizations and the multiple demands on executive time and attention, top management work is often fragmented. Despite their best intentions, CEOs and senior managers typically must shift their focus repeatedly throughout the day. The challenge for them is to continue to maintain perspective and sense of purpose and priority while so many individual issues compete for their attention.

One irony of top management is that details get handled best only when handled in context. This is why clarity of purpose and alignment of talent, systems, and structure with strategy are so important. When times are hard, the pressure to work on problems in isolation builds significantly. The important lessons are these: eliminate distractions, increase focus on the vital few initiatives, but always ensure fit among them. Especially when revenues are scarce, do not sacrifice your skills and those of your staff through inadequate strategy, misalignment, silos, or dysfunctional systems.

Of all the things I have done, the most vital is coordinating the talents of those who work for us and pointing them towards a certain goal.”
--Walt Disney

In my August newsletter, I wrote about HOW to bring out the best in people. Building on strengths, creating a sense of partnership and appreciation, setting a vision and rooting it in shared values were some of the keys. This month’s newsletter is about WHY. In addition to the intrinsic value of doing so, why should you bring out the best in people?

Consider the economy and the likelihood that a recovery will be slow and prolonged. The consequences of getting less than the best out of people are huge. What is the cost to you and your organization when you settle for less than what your people are capable of? What is your personal cost when you fail to capitalize fully on your own talents?

Think about the great teams and great organizations you have seen succeed in the past. Then think about some of the teams and organizations loaded with apparent talent who have failed to live up to their potential. They didn’t bring out the best in their teams - as individuals or as teams.

Several years ago, I consulted with a CEO who had been hired to replace the previous longtime CEO because his company had been drifting, losing market share and profitability. His organization had long been leader and innovator in its field. It was widely known by the public and respected in its industry. However, the business was changing, and new competitors had started to lure customers away. Past successes had led too many in the organization to become comfortable and to stop stretching.

The new CEO had identified two management roles within the corporation that he believed were key success factors. He asked me to interview each of the incumbents in those roles as well as each potential new hire for those positions and to provide developmental feedback to them, to their bosses, and to him. His goal was to use them as the fulcrum for organizational change by getting the right people in those positions and using their talents to the max.

I consulted regularly with him and his team over the next two years. He was a strategist, was financially astute, and kept his eyes focused on his main goals. He enlisted others in his vision, and he shared credit. I remember a conversation in his office as he discussed the improving fortunes of the organization and reflected on the turn around. He said, “We set out to improve the performance of our general and division managers, and we did it.” By focusing on both recruiting and bringing out the best in people, this CEO reversed his organizational fortunes. He also serves as a good model for leaders dealing with the challenges of an economic downturn. Now is the worst time to settle for less than the best in your management team.

“A winner is someone who recognizes his God-given talents, works his tail off to develop them into skills, and uses these skills to accomplish his goals.” --Larry Bird

For more, see sidebar and next page

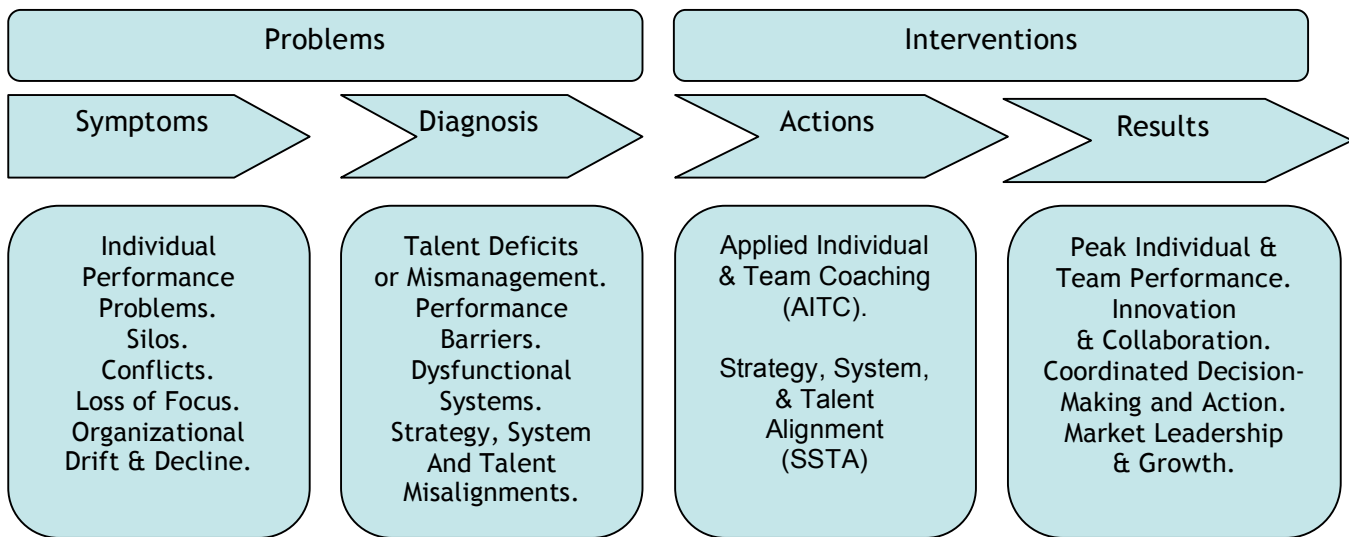
Thriving in Challenging Times

The Lehigh Gorge Rail Trail follows the Lehigh River as it flows from White Haven, PA to the small Pocono Mountain town of Jim Thorpe. Novice mountain bikers love it because the trail slopes gently downward for its whole 25-mile length. Most riders cannot actually see the slope, and they don't feel like they are riding downhill. Instead they experience a sense of physical fitness and pedaling efficiency. Only when they turn around for the return trip do they suddenly realize there was a hidden challenge waiting for them.

A modest uphill grade is not so difficult on its own, but when encountered after 25 miles of getting accustomed to riding downhill, the toll it takes on many riders is dramatic. They are not as fit as they thought, and they quickly become fatigued.

You can see the same phenomenon in many successful organizations when the economic or competitive climate changes. As things begin to get difficult, inefficiencies that were masked by the market become evident. The costs of dysfunctional systems, talent deficits, and strategic misalignment become unsustainable.

This is a critical time to upgrade organizational fitness. When you are on a bike struggling up a hill, it is too late to work on fitness. However, in organizations, you must work on fitness all the time, when things are going well and when they are going poorly. Some leaders feel they must pull back and wait it out when times get tough, and that is understandable. I have found, however, that dealing with real problems is a great way to build capabilities & test fitness, particularly when the organization is being challenged.



The diagram on this page describes the approach I take in such situations. The overt problems are usually experienced as individual performance issues, functional silos, team conflicts, work overload, and organizational decline. These are typically symptoms of management and structural issues, especially misalignment among people, strategy, and systems. To make this diagnosis correctly requires seeing the organization as it really is - strengths and weaknesses. I find that leaders inside an organization generally have this knowledge already, but they haven't been able to put it into words or agree on an effective course of action. That's where **applied** coaching comes in.

I use the phrase "applied individual and team coaching" to distinguish it from the usual executive coaching we hear a lot about. I know many people have been helped by having a person they can go to for advice and counsel. However, I have found it even more effective when this takes place in the context of working together on core organizational issues. We can test different approaches, and I can provide feedback and timely suggestions right on the spot. Our task focus is on aligning talent, strategy, and systems, but the *value-added* is the applied coaching that happens in context. It is the difference between having a coach who does skill drills and one who works with you to improve skills and execution during the game.

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mcginn@leadershipimpact.com

or phone 607-206-5187

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