

Cliff's Notes for Coaches and Leaders
by *Cliff Kayser*

TOPIC FOCUS: Transition

Summary Cobbled-together from the Following Sources:

Managing polarity, paradox, and dilemma during leader transition.

Steven V. Manderscheid and Peter D. Freeman, (2012), *European Journal of Training and Development*, Vol. 36 Iss 9 pp. 856 – 872.

The First 90 Days – Critical Success Strategies for New Leaders at All Levels

By Michael Watkins

Lost in Transition: How Business Leaders Can Successfully Take Charge In New Roles

Richard Elsner and Bridget Farrands

Polarity, paradox, tension, dilemma in Leader Transition

Polarities (paradoxes and dilemmas) have been the grist of human awareness and study for more than 5,000 years. Despite efforts to reduce problems and solutions to simple either/or configurations, the authors assert that the need for both/and, polarity thinking is necessary to maximize successful transitions. Freeman (2004) states that learning and actively using both/and, polarity thinking approaches, that intentionally identify polarities in play and use that awareness to understand and plan, alongside either/or thinking approaches would have a significant, positive impact on leaders as individuals and their team as a collective, in general, and especially during high stress transitional processes.

Webster's Ninth New Collegiate Dictionary defines "polarity" as "the quality or condition inherent in a body that exhibits opposite properties or powers in opposite parts or directions or that exhibits contrasted properties or powers in contrasted parts or directions" (p. 909). It defines "paradox" as "something (as a person, condition or act) with seemingly contradictory qualities or phases" (p. 853). Finally, the dictionary defines "dilemma" as "an argument presenting two or more equally conclusive alternatives" (p. 355). This article will focus on what Barry Johnson (1996), thought leader and creator of The Polarity Map® and principles, refers to as "managing unsolvable problems", which inherently embody what is variously referred to as polarity, paradox, or dilemma. For simplicity, the authors will use the word "polarity".

To make polarities in organizations (and in life generally) more understandable, Johnson (1996) distinguishes between what he calls problems to solve and polarities to leverage. Problems to solve, according to Johnson (1996), are those that present clear-cut, either/or choices within a known, limited time horizon. The choices are mutually exclusive and do not interpenetrate in any way. Polarities to leverage are found in those circumstances where both options, although opposite in character, contribute to an inseparable whole. Polarities, by their nature, present problems that are not resolvable simply by researching and analyzing the two presented options and taking the "correct" action.

Freeman (2004) suggests that an example of a problem to solve is in hiring: whether to hire John Smith or Sarah West. Although a manager might wrestle with the seemingly equal credentials of the two candidates, neither is in any way dependent on the other choice for his or her future effectiveness.

Moreover, Freeman (2004) suggests that polarities to manage are far from being as neat. He notes that polarities are found endlessly in those on-going circumstances where two interdependent opposites are often at play, neither of which is independently sufficient. Freeman (2004) explains that despite the best efforts to select the “better” of the two choices or paths, eventually, the benefits of the choice not selected become a pressing need for the individual or organization that made the choice. The underlying polarity simply will not go away, the solutions simply reflect either/or attempts at resolution. It might even be said that all either/or decisions exist within both/and polarity contexts. Terry (2001) makes the case clearly:

Because polarities cannot be resolved, because we cannot dismiss one side or meld the two sides into something new and comprehensive, they can only be managed. The contrary pulls and pressures never cease. Leadership lodges in finding ways to affirm and live both poles fully and simultaneously. This is no small feat because it means accepting the paradox that results from the polarity (p. 350).

Some common examples of polarities faced by all leaders and organizations are stability/change, uniqueness/uniformity, quality/cost, part/whole, candor/diplomacy, centralized/decentralized, privacy/openness, individual/team, employee needs/organization needs, compassion/accountability, relationships/productivity, and planned/emergent (Freeman, 2004). The potential list is extensive and people are never free of the need to wrestle with one polarity or another. And yet, it is a natural, human tendency to act as if that is not so (Freeman, 2004).

Psychology: archetypes, consciousness and the tension of opposites. Carl Jung (1875-1961), a seminal thinker in the field of psychoanalysis and a protégé of Freud, was interested in the dynamic relationship between the conscious and the unconscious. Throughout his work is the awareness of polarity, which he typically referred to as opposites, and the dynamic interactions between the two poles of a pair of opposites. This is reflected, for example, in his basic theories about the dynamics of energy within the psyche (Jung, 1973), the compensatory interactions between the conscious and unconscious (Jung, 1977), and his personality typology (Jung, 1976).

There is this natural human tendency of ego consciousness to “lean” in one direction over the other to minimize the tension between the poles. As the people repeatedly lean toward a particular pole, they tend to develop and strengthen their appreciation for its benefits and the skills connected to that pole’s most effective use (Jung, 1976, 1977; Myers, 1993; Shapiro and Alexander, 1975; Stein, 1998). We develop a set of values connected to a particular pole within that pair of opposites. At the same time, again quite naturally, we develop a sense of the downsides and “dangers” of the opposite pole, the Shadow, because its oppositeness seems to pose a threat to our dominant view. The stronger our embedding in our preferred, dominant mode, the greater the potential for disturbance from the other side. Shapiro and Alexander (1975) describe this key dynamic as the Principle of Opposites where:

[. . .] the relation between the two poles, it is postulated, in [sic] a function of the degree of “dominance” of the conscious pole. Dominance means a one-sided employment of the conscious attitude, which prevents the expression of the opposite unconscious attitude in consciousness [italics added]. With minimal dominance, when the unconscious attitude occasionally expresses itself, it does so in a compensatory or complementary way. It adds to or rounds out the conscious attitude in the latter’s service. With increasing one-sidedness of the conscious attitude, however, the suppressed unconscious pole has a more opposing and destructive relation to its conscious opposite (Shapiro and Alexander, 1975, p. 38).

The tendency toward one-sidedness is an inherent characteristic of ego consciousness (Jung, 1976, 1977, 1978) and is actually an important element in individual differentiation and ego development. However, given the reality of polarity the excesses of this one-sidedness lead to a disturbance from the neglected pole and eventual loss of the strengths of the preferred pole (Johnson, 1996).

Multi-disciplinary perspectives on polarities relevant to leaders. Vaill (1990) writes of the reality of organizational management. He stated that there has been more of this rationalistic analysis, design, and control of human systems in the last 50 years in America than possibly anywhere else in possibly all of the rest of human history. Vaill (1990) invites us to explore the following research question: "Why in the face of all this do those living in the midst of these systems, including managers, continue to find them mysterious, recalcitrant, intractable, unpredictable, paradoxical, absurd, and – unless it's your own ox getting gored – funny? This is the "grand paradox of management" (Vaill, 1990, p. 77). Vaill continues: "paradoxes are conflicts and collisions among apparent truths. Paradoxes refuse to dissolve or be reconciled by such normal methods as getting more facts or being more careful with logic" (Vaill, 1990, p. 80) To that end, Firth and Leigh (1998) point out:

Perhaps if we felt we had the time to take a step back and reflect on a larger view that encompasses both sides of such paradoxes [polarities], we might see creative solutions that are invisible at the moment. As it is, the speed at which things are moving only adds to the pressure we are under to make quick decisions. The paradoxes become unbearable and we hasten to act decisively, choosing one side or the other. The problem is that consistently selecting one aspect over the other in the end creates more tension, not less. The impulse we have to deal with paradox by taking "easy," pressurized, either/or decisions is understandable. It appears to resolve dilemma. It keeps moving things along. It means that we appear unequivocal and in control. The other option, embracing the paradox, would leave us open to complexity, ambiguity and not-knowing. We'd be mad to try it (Firth and Leigh, 1998, p. xv).

From the field of general semantics, Hayakawa (1949) maintains:

[. . .] in such an expression as "We must listen to both sides of every question," there is an assumption, frequently unexamined, that every question has, fundamentally, only two sides. We tend to think in opposites, to feel that what is not "good" must be "bad" and what is not "bad" must be "good" [...] This tendency to see things in terms of two values only, affirmative and negative, good and bad, hot and cold, love and hate, may be termed the two-valued orientation (Hayakawa, 1949, p. 222).

Conflict around polarities is ubiquitous and natural. People are not easily able to maintain their grip on the exclusive, positive valuation of one side of an issue because as Cloke and Goldsmith (2000), writers in the field of conflict resolution, point out, "paradoxes and polarities are part of nature and human thinking. They state that it is impossible to resolve the 'conflict' between up and down, light and dark, plus and minus, inner and outer, without at the same time abolishing both" (p. 207). Not an easy shift for most people socialized in a culture that emphasizes "right" answers based on scientific inquiry.

Charles Handy (1994) says of his own mind shift that he no longer believes in a "Theory of Everything". He points out that the more turbulent the work, the more paradoxes there are, for example, during stressful leader transitions. Handy (1994) emphasizes that we can understand the puzzles of paradoxes, but we cannot make them go away or disappear completely (p. 12). Hampden-Turner (1990), in writing about dilemmas states that, "just as 'choice' hides within it two contrasting ideas, that of separating and that of combining values, so all values are really contrasts among which there are necessary dilemmas" (p. 3). Moreover, Hampden-Turner (1990) suggests that creating value lies in recognizing and acknowledging these dilemmas and combining the elements of both sides.

From the field of creativity studies, Rothenberg (1979) adds that the reality of polarities and the conflicts generated is natural, albeit disconcerting. In addition, Rothenberg states that:

Conflict is so ubiquitous and, in some ways, such an appropriate response to the complexity and flux of human experience that it is objectively best described only as a state of being [. . .] it is experienced both consciously and unconsciously as a sense of particular inner forces in opposition with each other, an opposition that sometimes abates, or is shunted away, or is resolved, or is replaced, or continues throughout the course of life (Rothenberg, 1979, p. 261).

Parker Palmer (1998), a writer in the field of education, writes:

We will not be able to teach [lead] in the power of paradox until we are willing to suffer the tension of opposites, until we understand that such suffering is neither to be avoided nor merely to be survived but must be actively embraced for the way it expands our own hearts (p. 85).

Vaill (1990) points out that:

“Systems thinking” is about the nearest thing we have in the management field to a direct embrace of and confrontation with paradox. Systems thinking does not flinch from complexity and is willing to be surprised by the “counterintuitive” character of many organizational events and processes. [However,] systems models aren’t much better defended than any other models against two kinds of chronic and intense potentiality for paradox [. . .] permanent whitewater [. . .] [and] the action taker’s own presence in the model (pp. 78-9).

Quinn (1988) describes the challenges facing managers and the need to develop a new form of managerial mastery:

One of the most difficult things for most of us to understand is that organizations are dynamic. Particularly as one moves up the organizational ladder, matters become less tangible and less predictable. A primary characteristic of managing, particularly at higher levels, is the confrontation of change, ambiguity, and contradiction. Managers spend much of their time living in fields of perceived tensions. They are constantly forced to make trade-offs, and they find that there are no right answers. The higher one goes in an organization, the more exaggerated this phenomenon becomes. One-dimensional bromides (care for people, work harder, get control, be innovative) are simply half-truths representing single domains of action. What exists in reality are contradictory pressures, emanating from a variety of domains. The fact is important because much of the time the choice is not between good and bad, but between one good and another or between two unpleasant alternatives. In such cases the need is for complex, intuitive decisions, and many people fail to cope successfully with the resulting tension, stress, and uncertainty (p. 3).

Burns (1999) identifies nine polarities in six integrated health systems in Illinois and comments that: “the essence of leadership – from the perspective of polarity management – thus becomes managing ambiguities and multiple directions. Confronting these seemingly contradictory ideas provides a fruitful method to sort out confusions regarding the organization’s direction and create meaning for the organization’s participants” (p. 27). Furthermore, Hirschhorn (2001) stated that “to succeed, the project manager [in high-tech companies] should be aware of these polarities, learn skills for creating ‘win-win’ solutions when faced with them, and learn to identify the moment when one or another polarity has created unexpected tension in the flow of the work” (p. 16). Collins and Porras (2002), in their study of enduring visionary companies, described companies that do not brutalize themselves with the “Tyranny of the OR” – the purely rational view that says you can have either A OR B, but not both. They also reject having to make a choice between stability OR progress. Instead, they embrace the “Genius of the AND” – the paradoxical view that allows them to pursue both A AND B at the same time. They go on to say that “one of the most important steps you can take in building a visionary company is not an action, but a shift in perspective” (Collins and Porras, 2002, p. 40). The shift in perspective is one of polarity thinking, what the authors referred to above as the “Genius of the AND”. Drawing on a perspective of Oscar Wilde that the “way of paradoxes is the way of truth”, the Price Waterhouse Change Integration Team (Price Waterhouse, 1996) wrote of some key principles for managing paradox:

- Positive change requires significant stability.
- To build an enterprise, focus on the individual.

- Focus directly on culture, indirectly.
- True empowerment requires forceful leadership.
- In order to build, you must tear down (pp. 38-54). Farson (1997) also wrote at length about inherent paradoxes in leadership and the necessity for the capacity for dealing with endless, seeming absurdities. Moreover, Covey (1996), in writing about emotional intelligence, states that, “understanding and managing paradox, the dynamic tension between opposites, is the key to business management and personal leadership” (p. 3). In this article, Covey (1996) identifies three paradoxes managers must contend with in order to lead effectively, “Paradox 1: You must cooperate in order to compete. Paradox 2: You must be changeless at the core in order to change. Paradox 3: You must celebrate diversity to achieve unity” (p. 3).

Houston (2000) wrote of the need to develop the skills to find balance in the paradoxes. Included in his descriptions of paradoxes were inter-dependent autonomy, flexible integrity, confident humility, cautious risk-taking, bifocal vision, wobbly steadiness, skeptical benefits, thick-skinned empathy, lowly aloofness, and childlike maturity (pp. 62-6). To that end, Pascale (1990) has written extensively about paradox and polarity in organizations and the significant contribution of polarity/paradoxical thinking. With further application of paradoxical thinking, Pascale’s Seven S Framework described the seven important categories of manager attention:

- (1) strategy;
- (2) structure;
- (3) systems;
- (4) staff;
- (5) style;
- (6) shared values; and
- (7) skills.

Within those seven categories, Pascale identified “contending opposites” that come into play:

- (1) strategy: planned **AND** opportunistic;
- (2) structure: elitist **AND** pluralist;
- (3) systems: mandatory **AND** discretionary;
- (4) style: managerial **AND** transformational;
- (5) staff: collegiality **AND** individuality;
- (6) shared values: hard minds **AND** soft hearts; and
- (7) skills: maximize **AND** meta-mize (Pascale, 1990, p. 53).

Further, as to the issue of balancing the poles of a polarity, and similar to Collins and Porras (2002), Pascale (1990) stated “the term balance creates a great deal of confusion. For Westerners, balance means equilibrium. Of course, from a purely rational standpoint, one can have dynamic forms of balance (such as unstable equilibrium), but our associations with the term balance evokes images of rest and stability, not tension and instability. The problem, from a managerial point of view, is that if you want to stay in balance, you need to live out of balance. McGregor’s Theory Z isn’t a static compromise between Theory X and Y. Rather, it entails being both X and Y over time. (pp. 33-4)

Johnson (1996) developed a practical model for identifying and utilizing polarities. He suggests that as leaders and organizations are constantly making decisions to address problems, many of those problems reside within polarities. Johnson (1996), as part of his Polarity Management model, offered a mental tool to differentiate between problems to solve and polarities to manage. Johnson expresses that a problem to solve is an either/or situation where the choice of one option does not impact the other. A polarity to manage is a situation where the two poles are inseparable and interdependent. Johnson (1996) identified two criteria questions to determine whether a situation represents a problem to solve or polarity to manage:

- . (1) Is the difficulty ongoing?

Problems to solve have a solution, which can be considered an end-point in a process.

Polarities to leverage do not get “solved”. They are ongoing.

- . (2) Are there two poles which are inter-dependent?

The solution in a problem to solve can stand alone.

Polarities to manage involve opposites that are inseparable over time (Johnson, 1996, p. 82). Johnson (1996) observed that many decisions made in organizations are problems to solve: they have a bounded time-horizon that ends with the decision and the “rightness” of either option stands independent of the choice not taken. The either/or perspective is the primary, privileged approach taught throughout schooling and reinforced by organizations especially operating in a rapidly changing world context. However, many circumstances truly are polarities that require a different approach. Johnson’s (1996) model focused on working with and managing polarities in general and in organizational settings in particular. It provides a tool for conceptualizing polarities and for creating action steps to facilitate the ability to operate with the fullness of a polarity in mind. The authors, in our review of the literature on leader transition and polarity, conclude that failure to approach leader transition through a polarity thinking mindset unnecessarily hampers, delays, or undermines effective leader transitions.

Some Useful Research on Leadership Transition

Author	Foundation	Resource title	Contribution
Challenger, Gray, and Christmas (2009)	Theoretical	<i>Monthly CEO Report</i>	Develop a monthly and annual CEO turnover report. Leadership turnover has been increasing (with a few exceptions) over the past decade
Manderscheid and Ardichvili (2008)	Empirical	<i>New Leader Assimilation: Process and Outcomes</i>	Found that new leader success is dependent upon their ability to manage impressions, seek feedback from subordinates, and align expectations
Neff and Citrin (2005), Watkins (2003)	Theoretical	<i>You're in Charge: Now What?, The First 90 Days: Critical Success Strategies for New Leaders at All Levels</i>	Builds a case for focusing on leadership transition. Moreover, provides examples of new leader transition intervention
Bridges (2003), Lewin (1997)	Theoretical	<i>Managing Transitions, Resolving Social Conflict and Field Theory in Social Science</i>	Both authors identified stages of change/transition, for example Lewin: unfreeze (let go), transition; Bridges: ending, neutral zone, and new beginning
Ciampa and Watkins (1999), Louis (1980)	Theoretical	<i>Right from the Start; Surprise and Sense Making: What Newcomers Experience in Entering Unfamiliar Organizational Settings</i>	Acknowledge that new leader transitions last anywhere from one day to nine months
Gilmore (1988), Gabarro (1987)	Theoretical	<i>Making a leadership Change: How Organizations and Leaders can Handle Leadership Transition Successfully; The Dynamics of Taking Charge</i>	Both of these authors suggest that new leaders go through stages as they navigate through their transition

Author	Foundation	Resource title	Contribution
Cloke and Goldsmith (2000)	Theoretical	<i>Resolving Conflicts At Work: A Complete Guide for Everyone on the Job</i>	The necessity of a polarity perspective in conflict resolution
Burns (1999)	Theoretical	<i>Polarity Management: The Key Challenge for Integrated Health Systems</i>	Nine polarities to manage in healthcare management
Johnson (1996)	Theoretical	<i>Polarity Management: Identifying and Managing Unsolvable Problems</i>	Polarity management model
Handy (1994)	Theoretical	<i>The Age of Paradox</i>	The reality of paradox in organizations
Hampden-Turner (1990)	Theoretical	<i>Charting the Corporate Mind: Graphic Solutions to Business Conflicts</i>	Creating value by embracing conflicting claims inherent in organizational dilemmas
Vaill (1990)	Theoretical	<i>Managing as a Performing Art: New ideas for a World of Chaotic Change</i>	Paradox inherent in the "permanent whitewater" of organizational leadership
Quinn (1988)	Theoretical	<i>Beyond Rational Management: Mastering the Paradoxes and Competing Demands of High Performance</i>	Linking paradox management and high performance
Jung (1973)	Theoretical	<i>On the Nature of the Psyche</i>	Psychological basis for resistance to polarities

Elsner, Richard and Bridget Farrands. Lost in Transition: How Business Leaders Can Successfully Take Charge In New Roles, London: Marshall Cavendish Limited, 2006.

Authors identify 8 tensions (polarities) which, when leveraged well, contribute significantly to being successful in new jobs.

Throughout the transition process, write Elsner and Farrands, leaders are going to find themselves pulled between conflicting polarities. The authors have identified eight polarities, which they call "tensions," and offer specific advice on how to leverage each of these tensions. The "mission" tension, for example, is the tension between change and stability. The "loyalty" tension requires the leader to leverage loyalty to the team and loyalty to the larger organization or hierarchy. Another example is the "decision-making" tension between imposing and facilitating.

Just as a new leader is entering into a major period of uncertainty during transition, so, too, is the organization. The arrival of a new leader is probably the most threatening, unsure, and unsafe period in any worker's time in an organization. It also can be a period full of uncertain promise.

The kinds of questions people ask themselves are:

Will I have a place in the organization the new leader wants to create?

Will I still have a job I value?

Will I lose power? Will I lose status?

Will the new leader fulfill all my expectations?

Will I have the skills that are required in the future? Will I find I am no longer competent?

Will we finally be able to turn the corner and realize our objectives?

Will the new leader bring in his "own people" who will carve out powerful roles for themselves, at my expense?

During transition, people in an organization with a new leader do not know how much overlap there will be between the two circles below. This creates uncertainty, and usually anxiety.

People in organizations often are unskilled at handling the uncertainty that accompanies the arrival of a new leader. Many have learned through experience a number of tricks through which they can gain best advantage in the situation. Lucy Kellaway, a journalist with the *Financial Times*, spelled out five proven strategies that people use to help themselves through the transition period with her trademark no-holds-barred style ("Play your cards right while a new leader reshuffles his pack," *Financial Times*, Monday 21 November 2005). These were:

- . "Monster brown-nosing"
- . "Playing the wise old owl"
- . "Planning your exit route"
- . "Becoming a full-time gossip"
- . "Keeping your head down and getting on with your job" (her preferred strategy)

Of course, by employing these strategies, people reinforce and perpetuate the usual way of carrying on during organizational transitions: survive as best you can, and mind your back. This is the very same strategy that leaders often employ to get through the turbulent first months of their tenure.

People in organizations undergoing transition undoubtedly have choices about how to act: They can choose to facilitate the new leader's entry, to impede it, or take a neutral approach. They can choose to promote their own position or to support their group or level. How the leader acts will have a bearing on the choices people make, and vice versa. The new leader cannot instruct people how to react. Probably the best he can do, by the way he acts, is to communicate the respect he feels for the situation they are in. We have learned from William Bridges' work on transitions that all significant change takes its time to work through, and that people in transition cross a mourning period for the old state (what he calls the "neutral zone") before they accept a new state. New leaders in post arrive when people are often still in that mourning period; leaders need to appreciate that people cannot "switch" to the new regime like a light switch is turned on or off. People are holding onto loyalties for the old state, and often the previous leader, which need to wane slowly before new loyalties can be entered into. They alone can accomplish this transition, in their own way and own time. If they look into themselves at this same time, leaders may

find they, too, are feeling loyalty to their previous job and company. They can feel that they have not quite left the previous state, and, therefore, have not quite “arrived” in the new one.

While respecting this in-between state of affairs, leaders can create a context that makes it easier for people to accomplish their own transition. Here is a range of areas where leaders can choose to act to create such a context, mindful that the balance they strike must be appropriate to the context they are in.

- . From the start, they can communicate who they are and what their remit is, balancing change with stability. In so doing, they will be cautious not to criticize past leaders and their policies.
- . They can create bonds with their people while maintaining appropriate distance. Being themselves from the start, while respecting the demands of their position, helps leaders to engage.
- . They can request their subordinates to help them learn, while also seeking to give something valuable in return. By openly recognizing the limits of their knowledge, leaders are usually seen as being strong. By “winging it,” leaders usually lose credibility.
- . They can establish ground rules about how they want people to be involved in taking decisions, balancing imposition with facilitation. Leaders communicate this information unconsciously in any event—is it not preferable to have a worked-out and explicit position? Yes.
- . They can slow down or speed up the change of their organization, in line with their growing competence as the leader.
- . They can remove or keep people, balancing the need for change with the opportunities to develop people. How a new leader deals with people at the start is never forgotten, and sometimes never forgiven.
- . They can ensure that they actively attend to the image of loyalty they are giving to both their bosses and their subordinates. Leaders are inevitably in an “in-between” position. Letting go of one end of the rope is a quick recipe for a short tenure as a leader.

The First 90 Days – Critical Success Strategies for New Leaders at All Levels

By Michael Watkins

Summary: The “Realignment” model. The author offers a model for navigating this kind of business opportunity.

- We have significant strengths, but also constraints.
- Realignments revitalize unit, product, which are drifting into trouble. Reinvent business
- Entropy increases – internal complacency or external challenges – even if not in crisis – gathering clouds signal Realignment – redirect resources, abandoning aging product lines and developing new technologies. Recovery cycle – denial of situation.
- In Realignment essential to understand what made the organization successful in past and why it became troubled. Likely to have strong people, products and technologies. Islands of excellence, building blocks for change.
- Challenges
 - ❖ Dealing with deeply ingrained cultural norms that no longer contribute to high performance
 - ❖ Convincing employees that change is necessary
 - ❖ Restructuring the top team and refocusing the organization
- Opportunities
 - ❖ The organization has significant pockets of strength
 - ❖ People want to continue to see themselves as successful
- Pierce the veil of denial that prevents people from confronting the need to reinvent the business
- More akin to farming than hunting. Painstakingly cultivate awareness of need for change by promoting shared diagnosis, influencing opinion leaders, and by benchmarking
- Dealing with people who think they are successful – may not be hungry for change. Early mistakes – risking traditional strengths of the business. No need for urgent early action in Realignment. Aim carefully before you fire (not ‘ready, fire, aim’).
- Make mid-course corrections that take the business in new directions, defend existing markets, but your best energies spent on new offensive plan.
- Secure early wins – gaining acceptance of the need for change. Instill sense of urgency.

Keys in Realignments

- Help getting needed resources quickly
- Clear, measurable goals
- Guidance at strategic breakpoints
- Help staying focused
- Help making the case for change, especially if you are coming in from outside the organization

Why are the first 90 days of a new leader critical?

Failure rate for new leaders who enter organizations from the outside is 40 to 50%

The root causes of transition failure always lie in an interaction between the situation, with its opportunities and pitfalls, and the individual, with his or her strengths and vulnerabilities.

Survey of CEOs - The breakeven point (6.2 months) – where new leaders have contributed as much as they have consumed with their new organizations. There are systematic methods that leaders can employ to both lessen the likelihood of failure and reach the breakeven point faster. Match strategy to situation (“STaRS” see below).

The overriding goal in a transition is to build momentum by creating cycles that build credibility and by avoiding getting caught in cycles that damage credibility.

Transitions are a crucible for leadership development and should be managed accordingly.

Each year, about a quarter of the managers in a typical Fortune 500 company change jobs. Managers spend an average of 4 years in a given position. Higher potential managers spend 2.5 to 3 years in a position.

A shared framework for organizational transition is key. Assess the new business' situation, challenges and opportunities, consensus with new boss and direct reports.

KEY Classification Concepts "STaRS" models of new leader challenges – Businesses - Start Up, Turnaround, Realignment, Sustaining Success.

Promote Yourself

Make the leap from being a strong functional performer to taking on a cross-functional, project management role. Mentally promoting yourself – prepare mentally to move into new role.

Mistake to focus on what you know how to do well and avoid what you don't – appears to work for a short while.

Failure happens less from what we can't do, but from what we can let go of (delegate to others.)

Establish a clear breakpoint from old job – Get caught up in the scramble to finish up in your old job even as you try to wrap your arms around the new job. Think hard about the differences between the two and in what you have to think and act differently. Everyone has an urge to work one level below where they are. You need to work where you are, not where you were.

Hit the ground running – 90-day mark as a key milestone.

Assess your vulnerabilities. Assess your problem preferences. Like exercising your right arm and the weak one atrophies. Imbalance leaves you vulnerable.

Page 25 Assessment of Intrinsic Problem Preferences exercise. (T-Technical, P-Political, C-Cultural) Give value 1-10, total categories and then T, P, C) what do you notice? Strengths/preferences – where do you need avoid over-focusing on (delegate here)? Need support support from team?

Human Resources

- T Design of appraisal and reward systems
- P Morale
- C Equity/fairness

Finance

- T Management of financial risk
- P Budgeting
- C Cost-consciousness

Marketing

- T Product positioning
- P Relationships with customers
- C Organizational customer focus

Operations

- T Product or service quality
- P Relationships with distributors and suppliers
- C Continuous improvement

R&D

- T Project management systems

- P Relationships among R&D, marketing, and operations
- C Cross-functional cooperation

Hidden challenges to learning

Having to start learning again can evoke feelings of incompetence and vulnerability. Cycle of denial, defensiveness, and shut down learning. Argyris – Teaching Smart People to Learn – Harvard Business Review – many pros almost always successful – never learned how to learn from failure. Strategies go wrong, they become defensive, screen out criticism, and put blame on anyone and everyone but themselves. Ability to learn shuts down when they need it most. [Ability to get the best from others hampered as well – defensiveness breeds defensiveness in others]

Call on your network for advisers. Early career – technical advisers most valued. When promoted seek political and personal advice which helps keep perspective and balance in times of stress.

Defining your learning agenda about the (new) organization

Starting point is to begin to define your learning agenda, before you even formally enter the organization. As you learn more, you will hypothesize. Start by generating questions

About the past,

Performance

- How has this organization performed in the past? How do people in the organization think it has performed?
- How were goals set? Were they insufficiently or overly ambitious?
- Were internal or external benchmarks used?
- What measures were employed? What behaviors did they encourage and discourage?
- What happened if goals were not met?

Root Causes

- If performance has been good, why has that been the case?
- What have been the relative contributions of the organization's strategy, its structure, its technical capabilities, its culture, and its politics?
- Where performance has been good, what have been the causes?
- Where performance has been poor, what have been the causes?

Do the primary causes reside in the organization's strategy? Its structure? Its technical capabilities? Its culture? Its politics?

History of Change

- What efforts have been made to change the organization? What happened?
- Who has been instrumental in shaping this organization?

Questions about the present

Vision and Strategy

- What is the stated vision and strategy of the organization?
- Is it really pursuing that strategy? If not, why not? If so, is the strategy going to take the organization where it needs to go?

People

- Who is capable and who is not?
- Who can be trusted and who cannot?
- Who has influence and why?

Processes

- What are the key processes of the organization?

- Are they performing acceptably in terms of quality, reliability, and timeliness? If not, why not?

Land Mines

- What lurking surprises could detonate and push you off track?
- What potentially damaging cultural or political missteps must you avoid making?

Early Wins

- In what areas (people, relationships, processes or products) can you achieve some early wins?

Questions about the future.

Challenges and Opportunities

- In what areas is the business most likely to face stiff challenges in the coming year? What can be done now to prepare for them?
- What are the most promising unexploited opportunities? What would need to happen to realize their potential?

Barriers and Resources

- What are the most formidable barriers to making needed changes? Are they technical? Cultural? Political?
- Are there islands of excellence or other high-quality resources that you can leverage?
- What new capabilities need to be developed or acquired?

Culture

- Which elements of the culture should be preserved?
- Which elements need to change?

Who can provide the best return on your learning investment? Identifying promising sources – listen to key people outside

- Customers. How do they perceive your organization? How do your best customers assess your products or services? How about your customer service? How do they rank your company against your competitors?
- Distributors. Learn about the logistics of product movement, customer service and competitors' practices and offerings. Assess the distributors' capabilities.
- Suppliers. Learn about internal operations management and systems.
- Outside analysts. Objective assessment of you and competitors. Overview of demands of the market and industry's health.

And inside info sources

- Frontline R&D and operations – info about basic processes and internal operations and key external relationships, support or undermine efforts of front line.
- Sales and purchasing. Market trends and imminent changes
- Staff. Talk with heads or key staff members of the finance, legal, and HR functions
- Integrators. People who coordinate or facilitate cross-functional interactions.
- Natural historians – learn about company mythology and roots of culture and politics.

Plan who to talk to, when, and about what

Natural inclination to dive in and start talking to people – not efficient, time-consuming, difficult to weight individual observations, people seek you out early so they can influence you. (Halo effect?) Some will hesitate to reveal their thoughts in public forum.

People who are later on your schedule will talk to later ones to get a sense of what you're after. Reduces range of views, others may interpret your message in ways you didn't intend.

Meet direct reports one on one – keep the same script – brief opening remarks about yourself and your approach, questions about the other person’s background, family and interests, then standard business questions, like:

1. What are the biggest challenges the organization is facing (or will face) in the near future?
2. Why is the organization facing (or going to face) these challenges?
3. What are the most promising unexploited opportunities for growth?
4. What would need to happen for the organization to exploit the potential of these opportunities?
5. If you were I, what would you focus attention on?

How people answer can tell a lot. Who answers directly and who is evasive or prone to go on tangents? Who takes responsibility and who points fingers? Who has broad view of business and who seems stuck in a silo?

Distill early discussions into observations, questions, and insights, convene your direct reports as a group, feedback your impressions and questions, and invite some discussion.

Meeting salespeople – What do our customers want that they are getting from our competitors and not getting from us?

New leader assimilation process GE – managers enters new role, assigned a transition facilitator, lay out the process, meeting new direct reports asked, What would you like me to know about you? About the business? The main findings fed back, without attribution to the new leader. Process ends with a facilitated meeting between the new leader and the direct reports.

Learning agenda – what you want to learn. Learning plan – how. Organizational climate and employee surveys; structured sets of interview with slices of org or unit; focus groups, analysis of critical past decisions; process analysis, plant and market tours, pilot projects.

Learning is your primary focus of first 30 days.

Learning plan template.

Before entry

- Read whatever you can about org strategy, structure, performance, and people
- Look for external assessments
- Find informed external observers – former employees, recent retirees. Ask open-ended questions. Talk with your predecessor
- Talk to new boss
- Write down impressions and hypotheses
- Compile initial list of questions to guide structured inquiry

Soon after entry

- Review detailed operating plans, performance data and personnel data
- Meet one on one with direct reports and ask structured questions
- Assess key interfaces – sales, purchasing, customer service, and others perceive your org dealings with externals. Learn about problems others don’t see.
- Test strategic alignment from top down. Company’s vision and strategy – how far down into the org beliefs penetrate.
- Test awareness of challenges and opportunities. Ask Frontline how they view these.
- Update questions and hypotheses
- Meet your boss to discuss findings

By end of first month

- Gather your team to feed back your preliminary findings – elicit confirmations and challenges, learn group dynamics.
- Analyze key interfaces from outside in. How org is perceived by others.
- Analyze key processes – productivity, reliability, quality
- Meet key integrators. (people promoted to different silos) Potential allies and influencers
- Update your questions and hypotheses
- Meet boss again to discuss observations.

Framework for analyzing org culture

- Symbols – signs, logos, styles of dress, distinguish and promote solidarity.
- Norms – shared social values – What behaviors are encouraged or rewarded in your unit. What elicits scorn or disapproval?
- Assumptions – unarticulated beliefs.

Watch the way people interact. Individual accomplishment and reward or group accomplishment? Casual or formal?

The most relevant assumptions involve power and value. Who do key people in your org think can legitimately exercise authority and make decisions? What does it take to earn your stripes? What actions are believed to create and destroy value?

Org culture – expressed in the way people treat each other and values shared, routines they follow, meetings and exchanges of info...
Professional culture, Geographic culture.

Which combination of STaRS are present?

Decide what to adapt and what to alter. Return and periodically reassess learning agenda and plans. Confront the need for realignment and reset expectations. STaRS – matching strategy to situation after diagnosis.

Start up – assembling people, funding, technology to get project off the ground.

Turnaround – get troubled unit back on track

Make tough calls early

Realignments and sustaining success – orgs have significant strengths, but also constraints.

Realignments revitalize unit, product, that is drifting into trouble. Reinvent business

Sustaining-success preserving the vitality of a successful org, and taking it to next level. Invent the challenge

Installing a IT new system is like a start up.

Entropy increases – internal complacency or external challenges or both trouble – even if not in crisis – gathering clouds signal Realignment – redirect resources, abandoning aging product lines and developing new technologies. Recovery cycle – denial of situation.

Turnaround cuts down to defensible core fast and then begin to build it back up.

In Realignment essential to understand what made org successful in past and why it became troubled.

Likely to have strong people, products and technologies. Islands of excellence, building blocks for change.

Transitions

Start-up

Challenges

- Building structures and systems from scratch without a clear framework or boundaries.
- Welding together a cohesive high-performing team
- Making do with limited resources

Opportunities

- You can do things right from the beginning
- People are energized by the possibilities.
- There is no preexisting rigidity in people's thinking

Turnaround

Challenges

- Reenergizing demoralized employees and other stakeholders
- Handling time pressure and having a quick and decisive impact
- Going deep enough with painful cuts and difficult personnel choices

Opportunities

- Everyone recognizes that change is necessary
- Affect constituencies (such as suppliers who want the company to stay in business) may offer significant external support
- A little success goes a long way

Realignment

Challenges

- Dealing with deeply ingrained cultural norms that no longer contribute to high performance
- Convincing employees that change is necessary
- Restructuring the top team and refocusing the organization

Opportunities

- The organization has significant pockets of strength
- People want to continue to see themselves as successful

Sustaining success

Challenges

- Playing good defense by avoiding decisions that cause problems
- Living in the shadow of a revered leader and dealing with the team he or she created
- Finding way to take the business to the next level

Opportunities

- A strong team may already be in place
- People are motivated to succeed
- Foundations for continued success (such as the product pipeline) may be in place

Emotions

Start-up – more excited and hopeful, typically much less focused on key issues than those in a turnaround.

Excited confusion, channel that energy into productive directions, deciding what not to do.

Turnarounds – people close to despair – must provide light at the end of the tunnel.

Realignments pierce the veil of denial that prevents people from confronting the need to reinvent the business [Tom Williams is right]

Sustaining-success – “invent the challenge”

Mgt skills

Start-up and turnarounds call for “hunters” who can move fast and take chances

Turnaround premium on rapid diagnosis of the business situation and then aggressive moves to cut back the organization to a defensible core. Act quickly and decisively with incomplete information.

Realignment and Sustaining-success more akin to farming than hunting. Painstakingly cultivate awareness of need for change by promoting shared diagnosis, influencing opinion leaders, and by benchmarking

Turnaround – teach people the need for major changes. You *must* teach people about problems – ready fire aim situations. Understand the organization, get the strategy right and build support for it, make good early calls.

Focus your energy

Learning **AND** doing

Correct balance of learning and doing differs strikingly in the STaRS situations

Turnaround and start-ups focus on doing. Fire before you aim, then adjust accordingly. Fundamentally technical learning quickly – products, markets, technologies and strategies.

Realignment Sustaining-success – dealing with people who think they are successful – may not be hungry for change. Early mistakes – risking traditional strengths of the business. No need for urgent early action in Realignment or Sustaining-success. Aim carefully before you fire.

Offense **AND** defense.

Start up nothing to defend.

Turnaround – early imperative on good defense. ID remaining strengths and cut back to this defensible core, generate financial resources to support next moves. Then shift to offense, ID and develop new platforms for growth

Realignment make mid-course corrections that take the business in new directions, defend existing markets, but your best energies spent on new offensive plan.

Sustaining-success good defense early. Don't risk crown jewels. Gradually shift. Take organization to next level.

Secure early wins

Decide what you are not going to do. Discipline your organization not to do it.

Turnaround get the right team – a key potential early win. Identify the defensible core. Paring the organization back to it.

Realignment – gaining acceptance of the need for change. Instill sense of urgency.

Sustaining-success – gaining and displaying understanding of what made the organization successful.

Diagnosing your portfolio – usually a mix of STaRS situations

Change punitive, authoritarian style of predecessor. Start by communicating her goals to employees. A series of memos and small-group meetings, laid out vision of participative, more problem-solving culture. Met with skepticism and outright dismissal by some supervisors.

Next step – twice-weekly meetings with supervisors to review performance and get input. Punishment culture is in the past. She expected coaching employees. Discipline referred to her. Learned which supervisors adjusting. Put recalcitrant supervisors on performance plans.

Then focused on critical part of business – customer service. Appointed her best supervisor and a couple of promising people to a process-improvement team – plan and introduce metrics, monitoring & coaching processes. They made recommendations. She implemented on pilot basis in section where supervisor had left. Promoted promising frontline person from process-improvement team to supervise that section.

By end of first year, extended process in whole unit. By the end of your transition, you want your boss, peers, and employees to feel that something good is happening.

Common traps

Get early wins, avoid early losses

- Failing to focus – take on too much – ID promising opportunities and then focus relentlessly on translating them into wins
- Not taking the business situation (STaRS) into account – Getting people to talk about the organization and its challenges can be accomplishment in Realignment but a waste of time in a Turnaround. What will build momentum best? Will it be a demonstrated willingness to listen and learn? Will it be rapid, decisive calls on pressing business issues?
- Not adjusting for the culture. What does your organization do or do not view as a win?
- Failing to get wins that matter to your boss. Essential to get early wins that energize your direct reports. However, the boss's opinion about accomplishments is critically important too. Addressing problems that your boss cares about.
- Letting your means undermine your ends. Process matters. If you achieve impressive results in a manner that is seen as manipulative, underhanded, or inconsistent with the culture, you are setting yourself up for trouble. An early win that is accomplished in a way that exemplifies the behavior you hope to instill in your new organization is a double win.

Plan and implement change in “waves” – Stage 1 Transition, 2 Immersion, 3 Reshaping, 4 Consolidation

Each wave consists of distinct phases: learning; designing changes building support, implementing the changes and observing results. If you keep changing things, it is impossible to figure out what is working and what is not.

Goal of first wave is to get early wins – early initiatives build person credibility, establish key relationships, and ID and harvest low-hanging fruit.

Second wave – address fundamental issues of strategy, structure, systems and skills to reshape the organization

In the first 90 days, key goal is to build personal credibility and create organizational momentum – secure early wins.

They do double duty – build credibility in short run and lay a foundation for longer-term goals. They must be consistent with you're A-priorities AND Introduce the new patterns of behavior you want.

Lead with a distinct endpoint in mind. What do you want the letter announcing your promotion to your next job to say about what you did in this one?

Defining A-priorities? Boss made assign them. Shape your own agenda, negotiate with your boss.

- A-priorities should follow naturally from core problems – that demand attention and offer greatest opportunity
- Neither too general nor too specific.
- Offer clear direction yet allow for flexibility while you learn more about your situation. Have clear set of goals early on, and test, refine, and restate them often.

Target Behavior Changes

Address dysfunctional patterns of behavior. Start by IDing unwanted behaviors. Work out clear vision of behavior by the end; plan how your actions will advance the process. What behaviors do people in your organization consistently display that undermine potential for high performance?

Problematic Behavior Patterns

Focus

- The group can't clearly define its priorities, or it has too many priorities.
- Resources are spread too thin, leading to frequent crises and firefighting. People are rewarded for their ability to put out fires, not for devising enduring solutions.

Discipline

- People exhibit great variation in their levels of performance.
- Employees don't understand the negative consequences of inconsistency.
- People make excuses when they fail to meet commitments

Innovation

- The group uses internal benchmarks to measure performance.
- Improvements in products and processes unfold slowly and incrementally.
- Employees are rewarded for maintaining stable performance, not for pushing the envelope.

Teamwork

- Team members compete with one another and protect turf rather than working together to achieve collective goals.
- People are rewarded for creating fiefdoms.

Sense of urgency

- Team members ignore the needs of external and internal customers
- Complacency reigns, revealed in beliefs such as "We're the best and always have been" and it doesn't matter if we respond immediately; it won't make any difference."

Urgency

What messages do you want to get across about who you are and what you represent?

Best way to communicate those messages? Identify your key audiences and craft a few messages tailored to each. Not be about what you plan to do – premature. Focus on who you are, the values and goals you represent, your style, and how you plan to conduct business.

Engagement

How introduce yourself – first meetings one-on-one or group? Informal get to know you or immediately focus on business issues and assessments. What other channels – email, video to introduce yourself more widely? Early meetings at non-HQ locations of company.

Identify and act quickly as you can to remove minor but persistent irritants in your new organization. Focus on strained external relationships and begin to repair them. Cut out redundant meetings, improve physical space problems.

People have questions about your credibility

- Do you have the insight and steadiness to make tough decisions?
- Do you have values that they relate to, admire and want to emulate?
- Do you have the right kind of energy?
- Do you demand high levels of performance from yourself and others?

Building a brand. New leaders are seen as more credible when they are:

- Demanding but able to be satisfied
- Accessible but not too familiar
- Decisive but judicious
- Focused but flexible
- Active without causing commotion
- Willing to make tough calls, but humane

Teachable moments

Your actions in first few weeks have symbolic resonance.

Early actions often are transformed into stories; define you as hero or villain. Take the time to informally introduce yourself to support staff or do you focus only on boss, peers and direct reports? Brand accessible or remote. How do you deal with small irritants?

Nudge the mythology in a positive direction, look for and leverage teachable moments. Simple or as hard as asking penetrating question that crystallizes your groups understanding.

Get some quick tangible performance improvements in business – attack bottlenecks and incentive programs that undermine performance by causing conflict.

Identify two or three key areas, focus relentlessly on getting results.

- Keep your long-term goals in mind
- ID a few promising focal points
- Concentrate on the most promising focal points
- Launch pilot projects – target focal points.
- Elevate change agents – people with insight, drive and incentives to advance your agenda – reward them lavishly for success
- Leverage the pilot projects to introduce new behaviors.

Pilot Project Checklist

- What is the right mix of people (knowledge, skills, and personal chemistry)
- Who has the credibility, skills and creativity to lead the project?
- What are achievable stretch goals?
- What are achievable deadlines?
- What framework will you provide to guide team problem solving and decision-making?
- What other resources are necessary?
- How will you hold people accountable for achieving superior results?
- How will you reward success?

“Predictable surprises” people have information needed to solve problem, but don’t do so. Preferences for types of problems we like to work on. Different parts of organization have different pieces of the puzzle – info silos.

- External environment – Could trends in public opinion, government action, or economy create major problems?
- Customers, markets, competitors and strategy – Are there developments in the competitive situation confronting your organization that could pose major challenges?
- Internal capabilities – problems with processes, skills, and capabilities
- Organizational politics

Planned change vs. collective learning

Plan change when (good for Turnaround)

- Awareness of need for change
- Diagnosis – know what needs change and why
- Vision – compelling vision and strategy
- Plan – expertise to create detailed plan
- Support – powerful coalition to support plan

Collective learning – willfully blind to emerging problems to pierce through veil. Exposing key people to new ways of operating and thinking about the business. New data on customer satisfaction and competition. Benchmarking best in class organizations, scheduling off-site meeting to brainstorm key objectives

Early wins should do double duty – establishing new standards of behavior

Blowing up existing culture and starting over rarely right answer – beyond most people’s capacity to accept change. Organizations have faults AND virtues – sources of pride, predictability. ID good and bad elements as you seek to change the bad.

Turnaround bring in new people from outside and set up project teams to pursue specific objectives initiatives. Changing performance measures and start benchmarking. Set the stage for collective visioning about how to realign the business. Reinforce wanted behavior and help achieve A-priorities

If needed, beginning of second month after early wins, raise the question management style with boss. “We have different styles, but I can deliver for you.” I want you to judge me on my results, not how I get them.”

Negotiate success – proactively engaging your new boss to shape the game so you have a fighting chance of achieving desired goals. Establish realistic expectations, reach consensus, and secure enough resources.

What you need from a boss varies. In Real, boss to help you make the case for change. In Sustaining Success, need help to learn about the business and avoid early mistakes that threaten the core assets. In start up, need resources and protection from too much higher-level interference. In Turnaround need to be pushed to cut back the business to a defensible core quickly.

Even if you report the same boss, expectations may be different. Many managers mistakenly assume that they can continue to work with a current boss in the same way despite a different role.

Focus on fundamentals

- Don’t trash the past
- Don’t stay away. If you have a boss who doesn’t reach out to you or with whom you have uncomfortable interactions, you have to reach out yourself.
- Don’t surprise your boss.
- Don’t approach your boss only with problems.
- Don’t run down your checklist. The boss assumes you’re busy; discuss how the boss can help.
- Don’t try to change the boss.
- Take 100 percent responsibility for making the relationship work.
- Clarify mutual expectations early and often.
- Negotiate timelines for diagnosis and action planning.
- Aim for early wins in areas important to the boss.
- Pursue good marks from those whose opinions your boss respects.

KEY CONCEPT Five Conversations with new boss related to your 90-day plan

1. The situational diagnosis. How your boss sees the business situation in terms of STaRS. This is essential.
2. The expectations. Seek to understand and negotiate expectations – short and medium term. What constitutes success? How will your performance be measured? When? You might conclude that boss’s expectations are unreasonable. Negotiate to reset them. Underpromise and overdeliver
3. The style. What form of communication does he or she prefer? How often? What kinds of decisions does he or she want to be consulted on and when can you make the call on your own?
4. The resources. Negotiate. What is it that you will need to be successful? What do you need your boss to do?
5. The personal development. Discuss how your tenure in this job will contribute to your personal development. In what areas do you need improvement? Are there projects or special assignments you could undertake (without sacrificing focus)?

Situational diagnosis conversation

Match your support to STARS – typical roles for your boss

Start up

- Help getting needed resources quickly
- Clear, measurable goals
- Guidance at strategic breakpoints
- Help staying focused

Turnaround

- Same as Start Up, plus
- Support making and implementing tough personnel calls
- Support for changing or correcting the external image of the organization and its people.
- Help cutting deeply enough and early enough

Realignment

- Same as Start Up, plus
- Help making the case for change, especially if you are coming in from outside the organization

Sustaining Success

- Constant reality testing: Is this a sustaining-success situation or is it real?
- Support for playing good defense and avoiding mistakes that damage the business
- Help finding ways to take the business to a new level.

Planning expectations conversation – agree on short- and medium-term goals, on timing and on how your boss will measure progress. If you don't manage expectations, they will manage you.

Early wins

ID the “untouchables”

If there are parts of the organization – products, facilities, people – about which you're new boss is proprietary. Deduce what your boss is sensitive about – boss's personal history, by talking to others and by paying close attention to facial expression, tone, and body language. If you are uncertain, float a trial balloon by your boss.

Educate your boss – if boss's expectations unrealistic, or simply at odds with your own beliefs about what needs to be done. Work hard to make your views converge.

Clarify – even if you are sure you know what your boss expects, you should go back regularly to confirm and clarify. Ask the same question in different ways to gain more insight. Read between the lines, develop good hypotheses. Figure out how you fit into the larger picture. Don't let key issues remain ambiguous – danger here.

Multiple bosses – balance perceived wins and losses among them carefully

Working at a distance – even more discipline over communication, scheduling calls and meetings to be aligned.

Even if your boss never becomes a close friend or mentor, it is essential that he or she respect your professional capabilities. Boss's style – arrive early and work late? You prefer to learn by talking with knowledgeable people, boss relies more on reading and analyzing hard data. Talk to others who worked with boss in past.

Dimensions of your box – Boss will have a comfort zone about involvement in decision-making.

The job of building a positive relationship with your new boss belongs to you 100%. Address difficult issues directly – otherwise opportunities for style differences interpreted as disrespect or incompetence on your part. **Focus early conversations on goals and result, instead of how to achieve them.** Judiciously discuss style issues with someone your boss trusts. Help broach a difficult issue in a non-threatening manner. Don't try to address all style issue in one conversation.

Resources conversation

- Start up – adequate financial resources, technical support, and people with right expertise.
- Turnaround – authority, backed by political support, to make the tough decisions and secure scarce financial and human resources.
- Realignment – consistent public backing to get the organization to confront the need for change. Ideally, boss will stand shoulder to shoulder with you, helping to pierce through denial and complacency.
- Sustaining-success – financial and technical resources to sustain core business and exploit promising new opportunities.

Try using a menu approach, by laying out the costs and benefits of different levels of resource commitment

Play or change the game – If you can maneuver within the accepted cultural and political norms – easier path.

In Realignment and Turnaround, change or abandon established ways of doing business. Request will probably be more sweeping, and failure to secure them more damaging. **Negotiate** harder to get what you need. Being clear about the situation. Clarify your needs in your own mind before you enter these discussions, back them up with as much hard data as you can. Then stick to your guns. Keep coming back. Enlist others to help make your case.

- Focus on underlying interests. What is in it for them?
- Look for beneficial exchanges. Look for ways to help peers advance their agendas in return for help with yours.
- Link resources to results. Highlight the performance benefits. Create a menu laying out what you can achieve and not achieve with current resources and what different-sized increments would allow you to do.

Personal development – when your relationship with your boss has matured. Discipline yourself to be open to learning from others who have gone before you.

Your 90-day plan should be written. Specify priorities and goals as well as milestones. Share it with your boss and seek buy-in. A “contract” spelling out both what you will do and what you will not do. **[Carver]** Three block of 30 days. At the end of each block, you will have a review meeting with your boss.

First block is learning and building personal credibility. Key outputs – diagnosis of the situation, ID key priorities, and a plan for how you will spend next 30 days. Address early wins. Focus on situation and expectation conversations, clarification of expectations, and buy-in to your next 30-day plan. Continue weekly discipline of evaluation and planning.

At 60 days, focus on assessing your progress toward goals. Discuss what you plan to achieve in next 30 days. ID resources necessary to pursue major initiatives, fleshing out your initial assessments of strategy and structure, and presenting some early assessments of your team.

Developing yourself as a boss. New subordinates' transitions.

The higher you climb in an organization, the more you take on the role of organizational architect, creating the context within which others can achieve superior performance.

Five organizational architecture elements

- Strategy – drives other elements and is influenced by them.
- Org. Structure
- Org systems and processes
- Skills
- Culture – values, norms and assumptions

Common traps

- Trying to structure your way out of deeper problems – deck chairs on the Titanic
- Creating structures that are too complex – want clear lines of accountability
- Automating problem processes – speeding up existing processes doesn't solve underlying problems. Analyze and streamline processes first, then automate if it fits.
- Making changes for change's sake.
- Overestimating your group's capacity to absorb strategic shifts.

Aligning your organization – first select destination (mission and goals) and route (strategy), structure needed, the systems needed, and skills of staff.

1. Start with strategy – goals and A-priorities
2. Look at supporting structure, systems, and skills
3. Decide how and when you will introduce the new strategy
4. Reshape structure, systems and skills simultaneously. They are all linked.
5. Close the loop. Use feedback to adjust strategy.

Crafting Strategy – what the organization will and won't do.

1. Customers. Which set of existing customers will we continue to serve? Which markets are we going to exit? What new markets are we going to enter, and when are we going to do it?
2. Capital. Of the businesses we will remain in, which will we invest in and which will we draw cash from? What additional capital is likely to be required and when? Where will it come from?
3. Capabilities. What are we good at and not good at? What existing organizational capabilities (for example, a strong new-product development organization) can we leverage? Which do we need to build up? Which do we need to create or acquire?
4. Commitments. What critical resource commitment decisions do we need to make? When? What difficult to reverse past commitments do we have to live with or try to unwind?

Coherence – Assessing the fit between elements of the mission and strategies through all their ramifications and the practical aspects of implementing it. Disassemble strategy into its components – markets, products, technologies, functional plans and goals. Do the various elements support each other?

1. Ask probing questions – Does your boss believe the strategy will provide enough return on the effort your group will expend to implement it? Are there plans in place to secure, develop, and preserve resources with which to carry out the strategy? Are profit and other targets high enough to keep the group on the right track? Is enough money earmarked for capital investment? For research?
2. Use SWOT method.
3. Probe the history of the strategy's creation.

Assessing of Implementation

Has the strategy been implemented energetically? What people are doing, not what they are saying. Ask:

- Are the performance metrics specified in the strategy used to make day-to-day decisions?
- Are the performance aspects that management actually uses consistent with the strategy's emphasis? What goals does the organization seem to be pursuing?
- If the strategy requires teamwork and cross-functional integration, are people acting as teams and collaborating across functions?
- If the strategy requires new employee skills, is a training-and-development infrastructure in place to develop those skills?

Modifying strategy – proposing significant changes to strategy is most difficult in Realignment. Convince people who believe team already performing well to question that premise and reexamine that strategy.

Ask:

- If we were to achieve this plan, what might some of the unintended results be?
- I see this plan as aimed at serving a broader market. Is that what we want?
- This plan is aggressive. What other goals will we need to put a hold on to achieve it?

Structure elements:

- Units – direct report groupings
- Decision rights – who is empowered to make what kinds of decisions?
- Performance measurement and reward systems: What performance evaluations metrics and reward systems in place?
- Reporting relationships and information-sharing mechanisms.

Assessing structure:

- Are the right people in the right place to work toward our core objectives?
- Decision structure efficient?
- Measuring and rewarding the kinds of achievements that matter most to our strategic aims?
- Do reporting relationships promote sharing the right information at the right time?

Structure problems

- Knowledge base is too narrow or broad
- Employees' decision-making scope is too narrow or broad – Centralized gets quick decisions, but missing wisdom of others – too narrow. Too broad, not see big picture.
- Employees are inappropriately rewarded. Align interest of decision maker with the interests of the group. Focus everyone's attention on the group's ability to work together.
- Reporting relationships lead to compartmentalization or diffusion of accountability. Reporting relationships help you observe and control the group. Complex reporting relations broaden information sharing, reduce compartmentalization, but diffuse accountability.

Aligning key systems. – transform information, materials, and knowledge into value. Developing processes that specify both the ends and means (methods, techniques, tools) in exquisite detail. If stimulating innovation is your goal, develop processes that focus more on defining ends and rigorously checking progress toward achieving them and not so much on controlling means.

Process analysis – ID fundamental processes – mapped and improved each, developing appropriate measurement schemes and altering reward systems to better align behaviors, ID bottlenecks.

Vital activities are core processes. They must align with structure. Evaluate:

- Productivity. Does the process efficiently transform knowledge, materials, and labor into value?
- Timeliness. Does the process deliver the desired value in a timely manner?
- Reliability.

- Quality.

Improving core processes. – Start with a process map – diagram of exactly how the tasks flow through individuals and groups. Chart the process flow from beginning to end. Look for bottlenecks and problem interfaces.

Analysis – stimulates collective learning. Who does what, within and between units or groups?

Manage a number of processes as a portfolio. Do not introduce radical changes in more than a couple of core processes at a time. Do not immediately automate problematic processes. Rarely solves the problem underlying process inefficiencies. Problems center on miscommunication, confused expectations and misunderstanding how the business works.

Developing skills – four types of knowledge – individual expertise, relational knowledge (how to work together), embedded knowledge (core technologies), meta-knowledge (where to go to get critical information)

What mix of knowledge do you need to support goals? Assess what your group has.

Culture – fundamental assumptions about how things work – so embedded that people are generally unaware. Reinforce the status quo through logos, styles of dress, and ways of communicating, social norms, shared rules that guide behavior. Deepest assumptions group members take for granted. Most relevant involving:

- Power. Who do employees think can legitimately exercise authority and make decisions? How were decisions made in the past?
- Value. What actions and outcomes do employees believe create value? Making profits, satisfying customers, promoting innovation, creating supportive working environments and so forth. Look at how people spend their time and what energizes them?

Begin Cultural Change

- Change performance measures and balance between individual and group incentives.
- Set up pilot projects – give employees opportunities to experiment with new tools and behaviors.
- Bring in new people. Stimulate creative thinking. Substance expert in key area. Process consultant. Running group dialogue and support efforts to change.
- Promote collective learning. Benchmarking best in class. [Who is best in class for member service at LERD and in other CUs?]
- Engage in collective visioning – Creative ways specifically to envision new approaches to doing things.

New Team – read previous year’s performance appraisals – if either outstanding or marginal, boss played favorites.

Case – two current supervisors – one or both probably have to go. Bluntly told them. Laid out detailed two-month plans for each. Quietly launched a search for a new head of marketing. Skip-level meetings with midlevel people, both to assess depth of talent and to look for promising candidates for top jobs. By end of third month, signaled head of marketing would not make it. Sales head responded to challenge and given more opportunities.

Essential to build your own team. Decide who goes and stays. Moving people, you retain into the right positions. Put in place goals, incentives and performance measures that propel your team in the desired directions.

Common traps

- Keeping existing team too long. “You always feel you can fix anything. But you can’t. And you can’t let personnel issues fester. If some people on the team are not performing, their peers know it and your peers know it.” By the end of six months, you should have communicated your planned personnel changes to key stakeholders, especially your boss and HR.”
- Not repairing the airplane. Process of molding a team is like repairing an airplane in mid-flight. Essential to replace people but some of them are essential to help run the business in the short run. Hire people into temp positions exploring whether people further down the organization can meet the challenge.
- Not working organizational alignment and team restructuring issues in parallel.
- Not holding onto the good people. Look for ways to signal to the top performers that you recognize their capabilities.
- Undertaking team building before the core team is in place. Launch team-building activities (joint problem solving, brainstorming, and visioning) build bonds in the team. Avoid doing so until core team is in place.
- Making implementation-dependent too early. Requires buy-in. Defer making decisions until core members in place.
- Trying to do it all yourself. Fraught with legal, emotional, and policy implication. Who can best advise you?

Assessing existing team – criteria (explicit or implicit)

- Competence technical
- Judgment under pressure
- Energy – burned out?
- Focus – set priorities and sticks to them.
- Relationships – get along and support collective decisions
- Trust – keep their word?

Potential blind spots? You can’t influence judgment.

Assess people – prepare and standard focus

1. Prepare for each meeting
2. Ask probing questions – same set to all.
 - a. What do you think of our existing strategy?
 - b. What are the biggest challenges and opportunities facing us in short and long-term?
 - c. What resources could we leverage more effectively?
 - d. How could we improve the way the team works together?
 - e. If you were in my position, what would you most want to pay attention to?
3. Verbal and Non-verbal clues
 - a. What the individual does not say. Take responsibility or make excuses.
 - b. Consistent words and body language
 - c. Topics with strong emotional responses
 - d. How the individual relates to other team members

Test their judgment – work with the person for extended time – able to 1. Make sound predictions. 2. Develop good strategies. Individual’s mental models, or ways of ID the essential features and translate insights into effective action

Prediction abilities. Ask about a topic they are passionate about outside work. Challenge them to make prediction. Press them to commit – unwillingness to go out on a limb is warning sign. Probe why they think their prediction is correct. Capacity to exercise judgment in particular domain.

Develop evaluation template for each key function. Guidelines and warning signs.

Assess team as a whole.

- Study data, reports and minutes.
- Systematically ask questions – answers overly consistent – agreed on party line or genuine? Little consistency – team lacks coherence.
- Probe group dynamics. Any alliances? Attitudes? Who defers to whom?

Restructure team

- Keep in place
- Keep and develop
- Move to another position – laterally, elsewhere in organization (not for poor performers)
- Observe for a while
- Replace (low priority)
- Replace (high priority)

Develop backups – keep underperformers on job while searching. Look discretely. Use skip-level meetings and regular reporting sessions to evaluate the talent pool.

Treat everyone with respect – creating lasting impressions.

Make each individual accountable for managing his or her goals. Clear criteria for measuring performance.

Push tools – compensation plans, performance measurements, budgets, motivate people through authority, loyalty, fear, reward. High-energy go-getters

Pull tools – compelling vision. For methodical and risk-averse

Independent work – individual reward. Teamwork – group rewards.

Your direct reports need to be agents for you.

Clear performance metrics.

Assess team's processes.

- Participants' roles – Who influences predecessor most? Who played devil's advocate? Who was the innovator? Who avoided uncertainty? Peacemaker? Rabble-rouser?
- Team meetings – How often did your team meet? Who participated? Who set the agendas for meetings?
- Decision-making – What made what kinds of decisions? Who was consulted? Who was told of decisions?
- Leadership style – How prefer to learn, communicate, motivate, and handle decisions?

Altering participants – send message change is coming in core team meetings. Reduce the size of the group sends a message you value efficiency and focus. Too exclusive excludes information sources.

Have a framework for understanding and communicating why different decisions will be made in different ways. Not full consensus, but sufficient consensus. A critical mass of the group believes the decision is the right one and the rest of the group can live with and support it.

Quicker decision to consult and decide, but may not reach desired outcome faster.

- If decision is likely to be divisive – winners and losers – consult and decide and take the heat. Decisions about sharing losses or pain among a group of people are best made by the leader.
- Decision requires energetic support from people you can't adequately observe or control – build consensus.
- Team of people relatively inexperienced – consult and decide.
- Group of people with whom you need to establish your authority – consult and decide to make some key early decisions and then rely more on consensus building once people see you as leader.

STaRS – Start up and Turnaround, consult and decide. Problems technical (markets, products and technologies) rather than cultural and political in nature. Realignment and Sustaining-success deal with strong intact teams and to confront political and cultural issues – build consensus

Explain to direct reports what you'll use and why. Run a fair process. If they feel 1. Views and interests heard and taken seriously and 2. Given them plausible rationale for your call. Don't engage in the charade of consensus building – cynicism and undercuts implementation.

Need to exert influence without authority – create coalitions

Mistake to devote too much time to the vertical dimension of influence – boss and direct reports and not enough on horizontal – peers and external constituencies. Never approach people for the first time when you need something from them. Invest in building relationship capital.

ID key players – key interfaces.

Get your boss to connect you with others. Request a list of ten key people outside your group whom he or she thinks you should get to know. Doing the same with your new direct reports. Diagnose informal networks of influence – shadow organization. People tend to defer to others whose opinions they respect on a given set of issues.

Who marshals resources, who is known for taking pains to help friends, and who owes favors to whom? ID sources of power based on: expertise, access to information, status, control of resources (budget and rewards), and personal loyalty. Opinion leaders. Recognize power coalitions. If they support your agenda, you gain leverage. If they oppose you, you have to break them up and build new ones.

Draw an influence map – depicts the flow and extent of influence.

ID supporters - People who (never take for granted)

- share your vision for the future
- Quietly working for change
- New to the company

Opponents (understand resisters' motives to counter arguments)

- Comfort with status quo
- Fear of looking incompetent
- Threat to values
- Threat to power
- Negative consequences for key allies

Convincibles

ID what motivates them. What might tip them toward resistance?

Shaping perceptions of choices

Influence strategies: bribery and threat – alter how people perceive choices

Choice: Status quo or change

Find ways to compensate potential losers to make change more palatable. Rather than making the benefits of compliance more attractive, makes noncompliance more costly. Find ways to eliminate status quo as an alternative. Convince people that change is going to happen with or without them.

No certainty that people will comply without persuasive argument or rationale. Persuasive appeals based on logic/data or values/emotions elicited by them. Value-based arguments trigger emotional reflexes.

Appealing to core values

Loyalty: commitment to an ideal; sacrifice to realize that ideal

Commitment and contribution: service to customers and suppliers; creating a better organization, society, world

Individual worth and dignity: respect for the individual expressed as elimination of exploitative or patronizing practices and promotion of decency and opportunity for all; providing the means for individuals to realize their potential.

Integrity: Respect for the letter and the spirit of the law; ethical and honest behavior; fairness in all interactions.

Too easy to defer decisions, delay and avoid committing scarce resources

Set up action-forcing events that induce people to make commitments and take actions, be locked into timetables with incremental implementation milestones. Meetings, review sessions, and deadlines can sustain momentum. Tough questioning of those who fail to reach agreed upon goals, increase pressure to follow through.

Entanglement strategies – leverage small commitments into larger ones – foot in the door. Each step creates new psychological reference point for deciding to take the next small step. Try to make each step irreversible. E.g.:

Start by getting people to take part in shared data collection. Look to get them to recognize that there is a problem that must be dealt with.

Next shift focus to gaining a shared definition of “the problem”. Push them hard to engage in root cause analysis. Then get them to jointly work on criteria for evaluating alternative courses of action. What would a ‘good’ solution look like? How should we measure success?

Finally, use the resulting criteria for evaluating alternatives. How do the alternative approaches stack up?

Another strategy – use behavior change to drive attitude change. People feel strong need to preserve consistency between their behavior and their beliefs. By changing measurement and incentive systems, rather than trying to change attitudes.

People look to others in their social networks for clues about “right thinking”

Analysis of group – ID most respected person. Meet that person before the exercise and enlisted his aid as a confederate to make some important points about group dynamics and social influence.

Sequencing strategy – gain a respected ally, easier to recruit others. Approach the right people first – set up a virtuous cycle

- People with whom you already have supportive relationships
- Individuals whose interests are strongly compatible with yours.
- People with critical resources you need to make agenda successful
- People with important connections.

Personal traps

- Riding off in all directions
- undefended boundaries – people will take whatever you give – the more you give the less they will respect you and the more they will ask of you.
- Brittleness – especially new leaders with high need to control
- Isolation – be connected – too easy for new leaders to be isolated, which breeds uninformed decision making
- Biased judgment – Over commitment to a failing course of action – ego and credibility issues. Confirmation bias – focus on what confirms your beliefs. Self-serving illusions. Optimistic overconfidence underestimates the difficulties
- Work avoidance – choose to delay by burying yourself in other work.
- Going over the top – relationship between stress and performance leading to burnout

Focus – too many balls to juggle, too heavy an emotional load will undermine performance.

3 pillars of Self-efficacy – ‘do what this book tells you’, create and enforce personal disciplines, develop support systems

- Knowing you should do is not doing. Plan to plan as part of daily and weekly cycle.
- Judiciously defer commitment – not decide on spur of the moment. If some ask you to do something, say “Sounds interesting. Let me think about it and get back to you.” If pressed, say “Well, if you need an answer now, I’ll have to say no. But if you can wait, I’ll give it more thought.”
- Set aside time for hard work
- Go to the balcony – take stock at 50,000 feet
- Focus on process – influence process design before acting. How are others likely to react to your ideas?
- Check in with yourself – journaling, reflection
 - How do you feel so far? Excited, confident, in control?
 - What has bothered you so far? With whom have you failed to connect? Why? Which of the meetings you’ve attended have been the most troubling? Why? What has disturbed you the most?
 - What has gone well or poorly? Which interactions would you have handled differently? Which of your decisions turned out well? Not so well? Why? What missed opportunities do you regret most?
- Recognize when to quit. Transitions are marathons not sprints

Building your support systems

Assert control locally – get new office set up, develop routines, clarify expectations with your assistant, assemble needed temp resources until permanent system are up.

Balance your home and work life. Family may be resentful of transition – sense of loss.

- Analyze family’s support system and fill gaps quickly
- Get your spouse back on track – negotiate for job search support or find support shortly after moving.
- Time move carefully. Be sure spouse has extra support
- Preserve the familiar. Reestablish family rituals.
- Invest in cultural familiarization especially international moves.
- Tap into company’s relocation service ASAP – new home schools

Build an advice and counsel network – seek out people connected who can help you grasp what’s really going on. Insiders cannot be expected to give you dispassionate or disinterested views.

Technical advisers – about markets, tech and strategy

Cultural advisers – insight into cultural norms – learn to speak the language of the organization.

Political counselors – help implement advice of tech advisers, sounding board, what-if questions

Get honest feedback from insiders and dispassionate from externals

External supporters who are loyal to you as an individual – long-standing colleagues and friends

Internal advisers who are trustworthy and whose agenda doesn't conflict with yours

Representatives of key constituencies.

If all the leaders who take on new positions in your organization use these success principles, you will not just prevent failures; you will also capture potentially massive gains from accelerating everyone.