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Justin heard that large doses of cod-liver oil were good for his Rottweiler. Each morning he'd put the dog in a headlock, force his jaw open, and pour the oil down his throat. It was always a big fight. One day the dog broke loose, and the oil spilled on the floor. Justin went to get a cloth to clean up the mess. When he got back, he found his dog licking up the puddle of spilled oil.

"Resistance to change" frustrates many managers. Change management programs aim to overcome that resistance. But most of us enjoy change -- especially for the better. We often read new books, look for new movies or shows to watch, seek out new experiences, and explore new places.

Like the Rottweiler, embracing or resisting change has a lot to do with how much control we have. We're often not resisting change; we're resisting being changed. We hate having things done to us.

"Change management" often involves the "changer" pushing, cajoling, and even forcing top-down change on "changees." Doing it to them. Leading change means pulling, engaging, and involving changees in a partnership. Doing it with them.

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In his book, *A Great Place to Work for All: Better for Business, Better for People, Better for the World* Michael Bush reports on how his research and consulting firm used their Trust Index Employee Survey to create an index they called the Innovation Experience. He writes, "It measures the extent to which all employees participate in activities related to innovation, experience leadership behaviors that foster experimentation, and feel inspired to move the organization forward. The results are striking. When we examined several hundred Great Place to Work–Certified companies, those in the top quartile on the Innovation Experience index had revenue growth more than three times the revenue growth of those in the bottom quartile."

This is consistent with other studies on workplace happiness and well-being, such as the National Study of the Changing Workforce. In *The Happiness Advantage: The Seven Principles of Positive Psychology That Fuel Success and Performance at Work*, Shawn Achor reports the study found, "greater feelings of control at work predicted greater satisfaction in nearly every aspect of life: family, job, relationships, and so on. People who felt in control at work also had lower levels of stress, work-family conflict, and job turnover."

This issue focuses on leading change through working together. Decades of research continually shows that leaders working collaboratively with their teams and organizations have higher and longer-lasting success. In these crazy times, truly being in this together is even more critical. Cost reduction approaches such as lay-offs are -- once again -- a vital test of leadership rhetoric or reality. History shows that lay-offs rarely pay-off. And partnering means working together -- leading change by doing it with everyone, not patronizing or antagonizing by doing it for, or to everyone.

Change, innovation, and transformation are keys to surviving and even thriving today. May you find ways to partner for long term personal, team, and organizational health and prosperity.



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Lip Service or Leadership: Are We Really in This Together?



Over the years, many managers turned, "people are our most important resource" into an empty cliché. Their behavior treated people as "assets with skin" or "human capital." As one executive put it, "I'd really enjoy my job if I didn't have to deal with people."

"We're in this together" is the latest phrase ringing hollow from the lips of many managers. Human beings are treated as human resources. But we want to be treated as a living and breathing person, not as just another resource.

Highly effective leaders lead with heart. They see people as partners. Partnerships flourish with trust, mutual respect, two-way communication, and win/win collaboration. These leaders **do it with their partners, rather than doing it to or for them**. That's vital if we're going to get through these turbulent times together successfully.

Here are five ways leaders partner with people:

- **Collaborative Planning Processes** -- Collaborative approaches clearly increase ownership and commitment to organizational changes. When team members see that their input is valued, they'll actively engage in the change process.
- **Openly Share Information** -- Trust levels reflect whether people feel like valued partners or "human capital." Information is going to get out. The only question is, will it come upfront and straight from leaders or

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through back channels? When people don't trust their leaders, they'll resist change and improvement efforts.

- **Recognize, Appreciate and Celebrate** -- It's not all doom and gloom. When team members do something well, let them know it. More importantly, let everyone know it. Many managers underestimate the big impact on engagement and morale when contributions are noticed and valued.
- **Get Input and Engagement for Innovation** -- Strong implementation trumps strategy. Top-down pronouncements are rarely greeted enthusiastically -- or even believed. The best insights and commitment to implementation come from those actually doing the work or interacting with customers. Leverage firsthand experience to make first-class improvements and innovations.
- **Coach, Counsel, and Consider** -- Honest feedback that positively reinforces strengths and redirects or guides performance is highly effective. Team members who understand expectations and participate in setting goals and priorities feel -- and act -- like partners who are in this together.

Despite all their pious declarations about the importance of people, leadership, and values, far too many managers treat people in their organizations like numbers on a balance sheet, inventory, real estate, or equipment. They're just one more set of assets to be managed.

Do the people in your organization feel that you're in this together?

Lay-Offs Rarely Pay Off: Here are 15 Alternatives



Your values are showing. Tough times are when the tide goes out to sea and exposes the jewels or junk that's been under the surface. Words like, "our people are our most important resource" now prove to be empty rhetoric or compassionate reality.

Leaders who care about people and building long-term trust, treat lay-offs as the very last, desperate step. These leaders operate from core values of partnership and participation.

None of us have ever been through a global pandemic like this before. However, we have been through economic shocks before. We can look back to those experiences for leadership lessons on navigating through the financial crisis many companies now face.

A major lesson of the 2008 financial crisis and the following recession revealed that downsizing was often dumbsizing. Many research reports showed that lay-offs sometimes provided short-term relief but hurt most companies in the long-term:

- A study in the *Academy of Management Journal*, found that big lay-offs often create even bigger turnover spikes soon after. One finding states that laying off just 1% of the workforce caused a 31% increase in turnover
- Only about a third of downsizing companies increased productivity and profits in the next 3 to 5 years, and underperformed in stock markets. Another study found that lean -- and mostly mean -- companies who reduced workers by 10% gained only a 1.5 percent reduction in costs.
- *The Wall Street Journal*, determined that downsizing companies outperformed the S&P 500 only slightly during the six months after a re-structuring then dropped to negative 24 percent by the end of three years.
- Jim Collins' Good to Great research determined, "half of the companies we were studying didn't do it (lay-offs) once. The other half, with the exception of one case, only ever did it once or twice. When you look at the comparison companies you find a very different pattern. They had an almost chronic addiction to lay-offs and re-structuring. They often tried to improve performance by hacking out the cost of people."

As Yogi Berra might say, it sure ain't rocket surgery. Downsizing crushes morale and productivity. Leaders who see people as "assets wrapped in skin" quickly jump to downsizing and lay-offs without fully exploring the myriad of alternatives that are much more inclusive and treat people as valued partners.

Emotionally intelligent, people-focused leaders find ways to reduce costs rather than chucking people overboard like useless ballast during the storm.

This might include:

1. Furloughing people to keep them on staff until business picks up. Some government programs can help with this.
2. Redeploying people to revenue-building positions.
3. Asking for volunteers to reduce hours, take unpaid sabbaticals, temporary lay-offs, or a leave of absence. Ideally, that's coupled with keeping their benefits going and staying in touch.
4. Offering early retirement or voluntary separation packages.
5. Reducing wages for everyone with the highest percentages with senior and middle management.
6. Offering company shares or profit-sharing as partial compensation for reduced wages.
7. Reexamining perks and benefits.
8. Identifying and removing underperforming supervisors and managers, especially those with weak people leadership skills.
9. Exploring work sharing options with reduced hours for everyone.
10. Not replacing people who leave or retire.
11. Lending or "renting" staff to clients or external partners.
12. Exploring or pilot testing cross-training or cross-functionality opportunities.
13. Fostering "intrapreneurship" -- encouraging/supporting people to look for new revenue-generating businesses, start-ups, or market opportunities the company could fill.
14. Offering employee buyout opportunities on businesses, product lines, or divisions that might be closed.
15. Taking losses now to be ready for the rebound.

Doing it with, not doing it to, people in your organization is to partner rather than to patronize. That's a true reflection of "we're all in this together." Many of the above options should be explored in forums, discussions, or surveys to involve everyone. This could include exercises like "work out," "dumbest things we do," or "moose hunting." Through surveys, meetings, e-mail polling, "town halls," (or video conferencing), and the like, managers facilitate brainstorming, get input, set priorities, and make joint decisions and action plans. An experienced external facilitator can be a big help.

These times also accentuate the power of decentralized decision making. A study by Harvard Business School professor, Raffaella Sadun found that companies delegating decision making further down the organization did much better in adjusting to local conditions or in their functional areas.

Dealing with these extremely emotional and difficult issues demands lots of personal communication to **balance electronic and human connections**.

Great leaders have long practiced; we're all in this together. On a rainy day in 1943, a battalion was lined up, waiting for an inspection by Lord Mountbatten. The officers wore raincoats, but the troops had none. They were soaked. Mountbatten's car pulled up, and he emerged wearing a raincoat. After taking a few steps, he turned around and went back to the car to shed his raincoat. He then turned to make the inspection. The troops cheered.

Thoughts That Make Your Go Hmmm on... Partnering not Patronizing



Sam Walton built Bentonville, Arkansas based Wal-Mart into the world's largest retailer through treating staff as respected partners. One of his legacies was to "treat them as partners and they will treat you as a partner and together you will all perform beyond your wildest expectations."

A scout leader was trying to lift a fallen tree from the path. His pack gathered around to watch him struggle. "Are you using all your strength?" one of the scouts asked.

"Yes!" was the exhausted and exasperated response.

"No. You are not using all your strength," the scout replied. "You haven't asked us to help you."

"In chaotic times, an executive's instinct may be to strive for greater efficiency by tightening control. But the truth is that relinquishing authority and giving employees considerable autonomy can boost innovation and success at knowledge firms, even during crises. Our research provides hard evidence that leaders who give in to the urge to clamp down can end up doing their companies a serious disservice."

- A.D. Amar, Carsten Hentrich, and Vlatka Hlupic, "To Be a Better Leader, Give Up Authority," *Harvard Business Review*

"Firms of Endearment leaders view stakeholders as partners, not as objects of exploitation or means to their financial ends. They don't objectify stakeholders. Instead, they encourage stakeholders to collaborate with them in moving their companies forward."

- Raj Sisodia, Jag Sheth and David B. Wolf, *Firms of Endearment: How World-Class Companies Profit from Passion and Purpose*

"The very essence in all power to influence lies in getting the other person to participate. The mind that can do that has a powerful leverage in this human world."

- Harry Allen Overstreet, early 20th century professor, psychologist, and sociologist

"To create the vision of a company, emotionally intelligent leaders need to move beyond a solo scrutiny of an organization's vision to drawing on the collective wisdom of followers. Side by side with the rest of the organization, leaders co-create the vision that will serve to rally and energize the group as a whole."

- Daniel Goleman, Richard Boyatzis & Annie McKee, *Primal Leadership: Realizing the Power of Emotional Intelligence*

"The more that top management wants internal commitment from its employees, the more it must try to involve employees in defining work objectives, specifying how to achieve them, and setting stretch targets."

- Chris Argyris, "Empowerment: The Emperor's New Clothes," *Harvard Business Review*,

"Programs that mobilize frontline employees to feel ownership of change are four times more likely to succeed, programs that empower employees to use their own initiative to achieve aspirations for change are five times more likely to succeed, and programs that make the organization feel engaged and energized through communications and involvement are four times more likely to succeed than programs that don't do these things."

- Scott Keller and Colin Price, *Beyond Performance: How Great Organizations Build Ultimate Competitive Advantage* (ten year global study of 500 firms by McKinsey)

"Nothing makes people resist new ideas or approaches more adamantly than their belief that change is being imposed on them."

- Warren Bennis, *An Invented Life: Reflections on Leadership and Change*

Bridging the Distance: Reading, Leading, and Succeeding



Leaders bring hope, optimism, and positive action. That's really tough to do while social distancing and facing an uncertain future. We multiply misery if we allow the pessimism plague to infect us as well.

To counter Headline Stress Disorder and strengthen resilience, I actively scan a list of resources for research, articles, and tips on leading ourselves and others through these turbulent times. I post those articles every day.

Let's shorten our social media distancing. Follow or connect with me:

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Together we can Learn, Laugh, Love, and Lead -- just for the L of it!

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The items in each month's issue of *The Leader Letter* are first published in my weekly **blog** during the previous month.

If you read each blog post (or issue of *The Leader Letter*) as it's published over twelve months, you'll have read the equivalent of a leadership book. And you'll pick up a few practical leadership tips that help you use time more strategically and tame your E-Beast!

Feedback and Follow-Up

I am always delighted to hear from readers of *The Leader Letter* with feedback, reflections, suggestions, or differing points of view. Nobody is ever identified in *The Leader Letter* without their permission. I am also happy to explore customized, in-house adaptations of any of my material for your team or organization. Drop me an e-mail at jim.clemmer@clemmergroup.com or connect with me on [LinkedIn](#), [Twitter](#), [Facebook](#), or my [blog](#)!

Let's leverage our leadership strengths to work together and get through this challenging time.



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