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The Leader Letter

Recently I was talking with two executives about our approach for an upcoming leadership team retreat. We discussed their retreat objectives, possible agenda items, pre-assessment options, and who would participate.

They'd recently brought together four departments into one service organization. They talked about rebuilding their organization structure and how to "fit the puzzle pieces together." Their question was, should they do that first and then have the retreat? I asked if their core leader team had been set. It had. This included the next level of directors reporting to the key VPs.

Uh, oh. Rearranging the organization chart boxes before the retreat would plunge them straight into the classic reorganization trap where these two executives end up "doing it to" their management group rather than "doing it with" their key leaders.

A McKinsey survey of 1,800 executives identified these most common reorganization pitfalls:

1. Employees actively resist the changes.
2. Insufficient resources -- people, time, money -- are devoted to the effort.
3. Employees are distracted from their day-to-day activities, and individual productivity declines.
4. Leaders actively resist the changes.
5. The org chart changes, but the way people work stays the same.

Form follows function. And we need the involvement of the key leaders who'll make or break the reorganization. We agreed to get everyone together to scope out their direction, define the culture they're trying to build, revise their foundational values, establish common goals, and identify and address the "biggest moose" (obstacles) in the way. They could then agree on their strategic imperatives -- one of which would likely be their reorganization -- and set their implementation plans.

In this issue we'll see how leadership and culture development are critical to any major organization change effort. A key reason so many leadership development efforts fail is because the culture crashes them. Behavior rarely changes if the system doesn't change. And the culture won't change unless leadership behavior changes.

Performance management systems should be an integral part of development. A major reason for their dismal performance is they're badly used and painful. Increasingly performance management systems are shifting from accountability to development. It's about time.

And the best development is proving to be building strengths rather than finding and fixing performance gaps. That calls for a new approach to using 360s and leveraging strengths.

Culture Crash Causes the High Failure Rate of Leadership Training

About 10 years ago we customized a series of leadership training workshops for a large company. Over the next few years nearly 1,000 supervisors and managers went through the two-day workshops. Ratings were high and participants reported numerous positive outcomes and benefits from attending.

However, senior executives didn't participate and we weren't able to get the company to build a pre-post series of coaching and support sessions to avoid the all too common "development dipping" problem. Recently I was back in the company working with a few development professionals and senior managers. They're still struggling with mediocre performance coming from a mediocre culture. The executive team missed a major opportunity for a cultural "leader shift" by taking their "fix them, but we're OK" approach. They failed to leverage the power of B = P x C (Behavior = Personal Development x Culture).

In this month's *Harvard Business Review* article, "Why Leadership Training Fails," Harvard professor, Michael Beer, and co-authors report that only one quarter of 1,500 senior managers interviewed at 50 companies felt that learning and development was critical to achieving business outcomes.

Beer and his colleagues point out that individual behavior isn't likely to change if the system doesn't change. They identified six common barriers to change:

1. Unclear direction on strategy and values, which often leads to conflicting priorities.
2. Senior executives who don't work as a team and haven't committed to a new direction or acknowledged necessary changes in their own behavior.
3. A top-down or laissez-faire style by the leader, which prevents honest conversation about problems.
4. A lack of coordination across businesses, functions, or regions due to poor organizational design.
5. Inadequate leadership time and attention given to talent issues.
6. Employees' fears of telling the senior team about obstacles to the organization's effectiveness.

As I outlined in my webinar, *Executive Team Building and Culture Development* (click to view this now), organizational culture ripples out from the management team leading it. That's why we've found that a Leadership Team Retreat is often a vital first step.

I reviewed how these components can come together in my webinar on *Essential Elements of Leadership, Coaching, and Culture Development* (click to view this now).

Focusing on Strengths Webinar: What Extraordinary Leaders Do Differently

Peter Drucker first advised building strengths in the 1960s and it became a constant theme throughout his work. In 1990 psychology researcher and professor, Martin Seligman, published his book, *Learned Optimism*, and launched the positive psychology movement. In 2001, Marcus Buckingham and Donald Clifton, their book, *Now, Discover Your Strengths*.

I read, reread, and cited all this research in my own books, keynotes, workshops, and retreats. It made so much sense. And it fit so well with my own beliefs and experience that accentuating the positive is key to increased happiness and greater effectiveness.

But with my focus on practical leadership, I struggled for years with how to help leaders move strength-building from inspiration to application. Buckingham and Clifton's position was that strengths are talents or natural gifts that are fixed once we hit adulthood. Gallup's StrengthsFinder tool was developed to provide self-assessment in uncovering our strengths so we could use more of those everyday -- and help others do the same. This is a fixed mindset that didn't fit with my "growing" books and clashed with research on continuous personal growth and leadership skill development.

I used the VIA (Values in Action) Character Strengths self-assessment survey pioneered by Martin Seligman and colleagues back in 2002 and found it to be a good self-discovery tool for personal development. But I couldn't see a practical way to help leaders apply their "signature strengths" to leadership skill development.

I'd also come to appreciate the power of feedback for leadership assessment -- especially with a 360 feedback tool. But those assessments also came with a dark side. They quickly drew leaders into a "negative psychology" approach that played directly into our deep-seated "neuro wiring" to focus on gaps or weaknesses. This often reduced confidence and motivation to stick with a development plan. Some CEOs banned 360s because of the trail of bad feelings and destruction.

So when Jack Zenger and I reconnected in 2012 I was intrigued by what I learned of the very unique, evidence-based approach he and Joe Folkman had now been using for a decade to build leadership strengths.

You can view Jack and Joe's complimentary webinar, *Focus on Strengths: What Extraordinary Leaders Do Differently* on demand to learn more about their groundbreaking research and strengths building approach. Click here to view.

Star Wars star, Harrison Ford, could have been talking about strength building when he said, "'May the Force be with you' is charming but it's not important. What's important is that you become the Force -- for yourself and perhaps for other people."

Fixing Performance Management: What's the Point?

What's your experience with performance reviews? How energizing and helpful are they -- to give or receive? Do performance reviews enhance, stunt, or do little for increasing effectiveness? Do you look forward to performance discussions with excitement or dread?

The October issue of *Harvard Business Review* features an article on "The Performance Management Revolution." The authors write, "hated by bosses and subordinates alike, traditional performance appraisals have been abandoned by more than a third of U.S. companies." They report that performance focus is shifting from accountability to learning because of the return of people development, the need for agility, and the centrality of teamwork.

This is followed by a November HBR article, written by HR leaders at Facebook, drawing from their company's approaches and advising "Let's not Kill Performance Evaluations Yet." Facebook retains a modified and collaborative form of performance reviews for "fairness, transparency, and development."

A Zenger Folkman survey of 2,700 HBR blog readers led to a research paper on Feedback: The Powerful Paradox. As Facebook has found, most people want feedback. But many of those same respondents report they don't get nearly enough positive or corrective feedback. And they admit they avoid or neglect to give either type of feedback.

Surveys in the U.S. and the U.K. are showing that 1/3 to 2/3 of organizations are planning to drop or revise their performance management systems. Rethinking performance management cries out for starting with clarifying what's our objective?

And this should be followed by what are our assumptions about managing performance? Are we assuming talent is fairly fixed and we're trying to grade, weed out, or promote people? Or do we assume a growth mindset and feel that performance management should be focused on growing and developing effectiveness?

Mounting evidence and the best performance management practices of leading organizations shows that growing and developing people is the pathway to peak individual, team, and organization performance. And performance improvement is two to three times more effective when focused on building strengths rather than identifying and fixing weaknesses.

A Deeper Dive:

- "Feedforward Rather Than Feedback to Fix Our Broken Performance Management Systems"
- "New Survey Showing a Strengths Revolution in our Workplaces"
- "The Performance Evaluation Meeting"
- "Coaching Matters: Five Steps, Webinars, Symposium, and Briefing"
- "Here's the Feedback on Getting and Giving Feedback"
- "Changing Forms Doesn't Create Strengths-Based Performance Appraisals"

Tweet Reading: Recommended Online Articles

This section summarizes last month's LinkedIn Updates and Twitter Tweets about online articles or blog posts that I've flagged as worth reading. These are usually posted on weekends when I am doing much of my reading for research, learning, or leisure. You can follow me on Twitter at **https://twitter.com/JimClemmer**

My original tweet commenting on the article follows each title and descriptor from the original source:

As millennials move into leadership roles their leadership effectiveness across generations and ages becomes vital.

> **"Millennials Managing Boomers: 10 Ways To Bridge The Age/Experience Gap"** -- Joe Folkman, *Forbes*
> **www.forbes.com**
> *"We identified the leadership behaviors that produce the most significant difference in causing older direct reports to feel their younger mangers are doing an excellent job."*

Six steps to help leaders increase the payoff of all their investments that are so often wasted by weak implementation and follow through.

> **"Why Leadership Development Doesn't Change Some People (And How To Turn Them Around)"** -- Jack Zenger, *Forbes*
> **www.forbes.com**
> *"Statistics show that 40% of people are unaffected by leadership development. Here are the steps you should follow to turn the non-responders around."*

Read *The Leader Letter* in Twice Weekly Installments

The **items in each month's issue of** *The Leader Letter* **are first published in my twice 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**!

May the Force (of strengths) be with you!

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