

Re-energizing the Corporation – leading positive change

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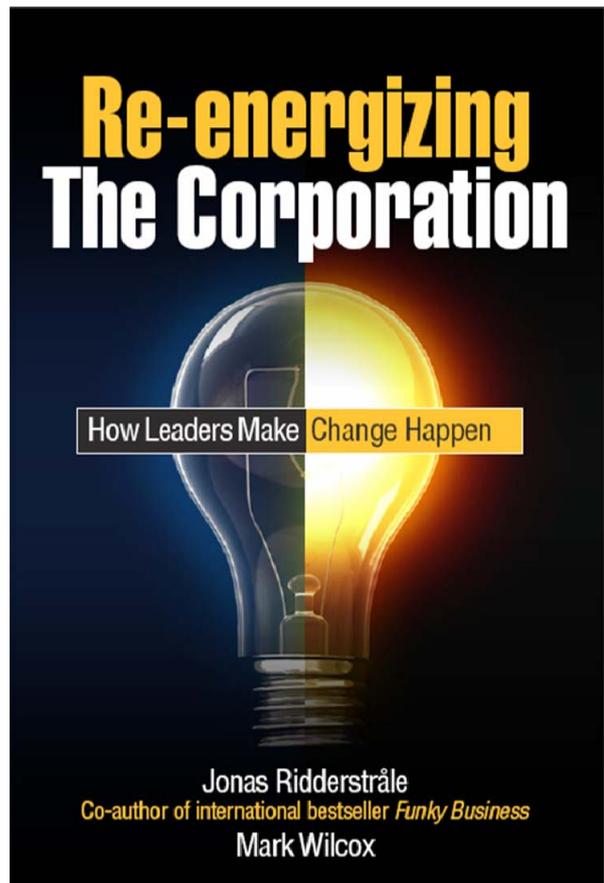
In our seminars and our book, ReEnergizing the Corporation, we talk about the need for and the nature of surprise in business – discontinuity and disruption. You cannot ignore change. You can only produce or try to reduce it; and we think there is only one real choice. We only have to look at the turmoil in the world markets to see how true this is. How we as leaders react to this economic meltdown will determine the success or not of our businesses. You cannot wait for governments to solve the problems that this brings your business and your employees. It's time to lead and not just manage.

So how can you make the most of the opportunities these crazy economic times bring? What is clear to us is doing less is not going to help. Down sizing, re engineering, re organising and re structuring will not bring out the best of the talents you employ and even with the best of luck will only give you a very short term reprieve. To make positive and lasting change happen you need to re-energize your corporation and our model of leading change, 3^E, enables you to Envision, Engage and Execute change.

Change does not have to be seen as negative or problematic, it can and should be a positive process that enables employees to contribute to the success of the organization. So why is it so often seen as a problem to be overcome and not a process to embrace? In a nutshell it's the way we communicate and lead change that requires a radical re think. Change should always be done with people, not in spite of people. To really engage with your workforce requires you actually relax some control and yet paradoxically in doing so you gain more power. It's not for the faint hearted it takes courage to release the reins of control of the organization.

Welcome to the 21st century. Welcome to the era of courageous leadership. It's time has finally come and without exception the talented people who embrace boldness will flourish in a business environment that demands leaders of exceptional ability and determination. Gone are the days where compliance and control was king, welcome to the exciting era of engagement. When leading change is about navigating the surprises of the business landscape and becoming the surprise shocker of your industry, a new model of leading and delivering change is required. 3^E Leadership brings together, people, projects and positive change in a way that makes change happen. Leadership doesn't have to be dull and certainly should not be repressive.

3^E Leadership is not management; just as driving to work is not formula one racing. There is a difference in the level of talent required and the level of excitement and challenge it generates. Read on the brave, because in our belief only the courageous can lead change exceptionally well.



Whilst not everyone can be Lewis Hamilton, most people can become talented drivers in the race we know as business today. Let's not forget, right now speed is critical in business and the decisions made by leaders affect the results of the race. In today's business climate taking the right decision, taking the team with you and ultimately delivering the results expected of you, is what being a leader is all about. We capture this triad of expectations in 3^E Leadership.

Leadership is too important to be left to people who just want to control the costs and operations in the business. Remember what I said in paragraph three, less control can mean more power. Being more cost conscious, or more efficient in the ordering of supplies will never put you in a long term position of competitive advantage, it's something that can be copied, and therefore not sustainable.

Leadership is the emerging competence that distinguishes rostrum performance from also rans. It's not a desirable in business, but now entry to the game. In the future the quality of leadership will determine more so than any technology or service proposition the winners of tomorrow. Constant innovation, the competence that keeps the formula one winning team in front, is the killer application of any business. Innovation comes from an environment of change and challenge, not from comfort and compliance.

Maybe this current economic chaos will generate the necessary innovation to survive? It will if you encourage new ways of doing things and not just reduce what you already do. It will if you allow people to experiment and not make them comply. It will if you release the creative energy of individuals and not ensure compliance to the average. Average is dead men walking – being different and better than your competitors is where the future lies. So what are the conditions that enable and encourage people to take part, to take an interest and to take to heart their contribution to your business success?

There are 3 E's in re-energizing – Envisioning, Engaging and Execution. All three need the attention and actions of leaders to enable their businesses to become the market leaders and surprises generators of their industries. Envisioning the future direction and therefore ultimately the concrete challenges and opportunities your organisation faces should not be a dry discussion in a bored room, but dialogue with depth on the way forward. You cannot get real change by reducing people's involvement to execution only – not any more. Henry Ford, the founder of production line compliance was heard to complain, "Why with every pair of hands I hire do I get a free brain". We accept people want to have a role and involvement in the success of your organization, so why not harness the positive brain power of every one. Henry thought people would get it the way of the system, how wrong he was, just look at Toyota.

3^E Leadership is firstly about inspiration. It's a people related process that taps into the discretionary effort that is locked away, hidden, in most organisations; and the bigger the organisations - the larger the hidden effort. People across the world and particularly in the re-engineered, re-organised, re-sized, reductionist organisations that form the majority of the FTSE 200 and the Forbes 500 want to be inspired. They want to work for more than an efficient business, more than an experiment in less, more than an attempt to operationalise life. People, employees, associates, colleagues want to be led not managed. This is not such a big ask, is it? Well that really depends on your definition and understanding of leading.

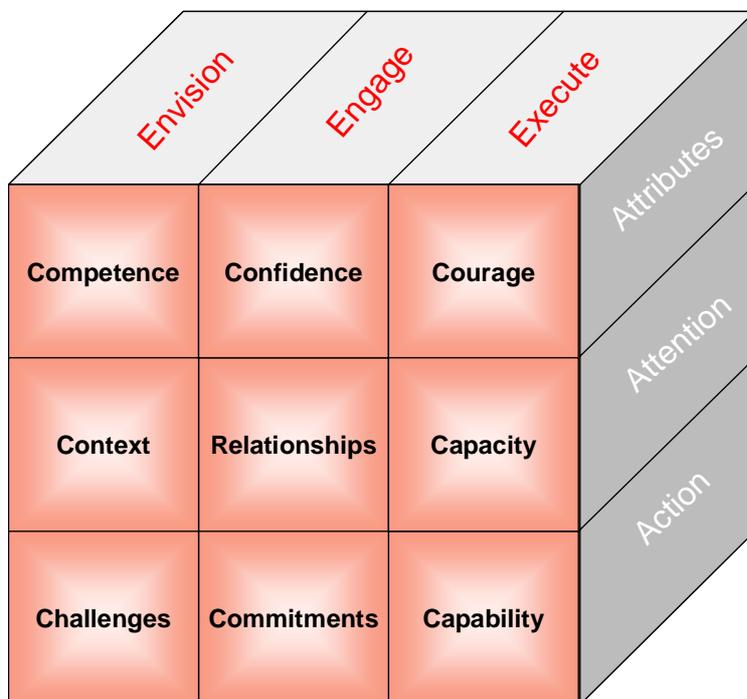
Take a look at the evolution of thinking in business. Back in the 1920's when management and business was becoming the subject of rigorous study the interface of man and machine was the focus. History has taught us that efficient management can reduce costs and has made operations in business lean and repeatable. We have Fredrick Winslow Taylor to thank for this in terms of ideas and Henry Ford, Arthur Sloan and McDonald's to thank for the case studies in operational excellence. The essence of this approach to "scientific management " is/was to take all the skill out of the operation and reduce the process to the simplest possible level of action. Result; people are treated like Oxen. At the time it was

considered the epitome of business intelligence and lauded as progressive management. We now know better. The interface of man and man should be the real focus – leader and led.

The problem with repeatable processes, and anything that can be reduced to a documented process, is ultimately it's also repeatable by someone else. Result: limited competitive advantage, short-term savings for short-term advantage - necessary but not sufficient. In business terms a good try but no cigar for the winner. Remember as one Olympian athlete said, "Silver is the award for first loser".

We are now emerging into a new era where the demand on the organisation from talented knowledge workers is greater than at any other time in the history of mankind. Bright people, and let's at least acknowledge that we are smart enough to hire bright people, ask better questions. They want to be engaged with their employer. There was a time when a job was a necessity. If you were good enough to employ people this was reason enough to gain their loyalty. Commitment was automatic. People were self-motivated. Fortunately, or unfortunately depending on where you stand, this does not compute now for the majority of knowledge workers or the corporate competents, as some would label them. For this group of talented individuals they want or more accurately demand a better deal. The psychological contract, that unspoken deal we all make with our employer, is getting more complex and more demanding to fulfil. Engaging them, really differentiating the employee value proposition to a level of the individual, is the way to get talent committed to your cause. 1-2-1 leadership is the case for Engagement.

It's a global phenomenon not just a product of the west or the affluent northern hemisphere. Intelligent people need to know why and how they deliver their input to the greater organization. Whether you are from India, Indiana or Indonesia, talented employees want more than a just a pay packet. They want to be led, inspired to give their best and not just what you pay for. Discretionary effort is a worldwide untapped energy resource – there is no energy shortage, we are just looking in the wrong places.



Compliance is not enough to keep the best and brightest in your organisation. You need a compelling employment value proposition. Talented people have freedom of choice and you need to ensure for the best players in the game, that they chose to be on your team. Oxen you could beat into compliance, or at least reward with a suitable carrot. Taylorism was built on that simple principle. Times change, people change, expectations change, and management is no longer enough. What these demanding times require is exceptional leadership. 3^E Leadership captures the essence of

what times now demand of us.

Look at the best business cases you can find in the current press. Look at the group of peak-performers and try to find examples of just efficient businesses. There are few, if any. Why? It's no longer enough to be well controlled. Management is essentially about creating systems of command and control. As

necessary as this is, plain old management does not inspire people who work in the organisation to excel. It encourages them to comply; to work within the framework that the management system creates. Most systems of management work to the lowest common denominator and try to be fair to all, instead of focus on the exceptional performers, those we call positive deviants. Promoting the positive deviance, the strengths we have, in as many people as you can in your organization will provide some real challenges, but at least these challenges are about creating energy not reducing it.

Why does this matter? Well, over time this management by systematic aggregation rewards and promotes the mediocre instead of the extraordinary. Managers concentrate on things, the tangible assets that can be counted, measured and costed. Leaders concentrate on people, the employees, the shareholders, the suppliers and the customers. Think about it for just a second, and then think where your future is coming from. As an experiment in good management try this little sale pitch in your next brochure or annual report.

“XYZ Ltd as average as the next business. Mediocre is our aim, average our game”

3^E Leadership is about creating the environment and the vision that allows people to excel and produce change – to energize and be energized. Leadership with a vision creates people who engage with the ideas and dreams of the organisation, beyond the level possible by any compliance system. It allows people to release energy to execute, and bring to fruit their ideas, their hidden talents and their discretionary effort. Without doubt the way businesses are led will distinguish the moderate from the magnificent and the best from the boring.

For a great example of positive deviance in practice read anything you can about Semco and Ricardo Semler, the Brazilian maverick business man, putting into practice many of the ideas we are passionate about. By most measures his business should not be as successful as it is, but his passion for doing things different and better has made a work place where people thrive and not just survive.

We set *you* the quest to be different and surprise the rest of us.

Comment on this and other articles at the blog

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