

Pamphlet 78

High Energy Leadership

By

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A somewhat modified recent speech to executives:

A recent Gallup poll shows 74% of American workers are disengaged clock-watchers who can't wait to go home.

Their “discretionary energy”—the energy available to them beyond that needed to keep their jobs—is going elsewhere, lost to their organizations & costing hundreds of billions of dollars a year.

Related to this disengagement is the fact that 75% of change efforts are deemed failures by those who lead them. No wonder people are disengaged. Failed change efforts cost industry additional billions each year.

Also related is the data that the average life expectancy of Fortune 500 companies is 46 years. Yet some companies “live” for hundreds of years. This is the poorest actual to potential life expectancy of any species on the planet. Failed leadership and failed efforts to change lead to the death of organizations. How do we measure the cost of failed companies?

The gap between what is real and what is possible in our organizations is vast.

The disengagement, failed change efforts, and unsustainable organizations lead me to ask: How well is the way we lead our organizations working for us? We must do better.

We live in a time that calls for renewal—personally, organizationally, nationally, and globally.

I want to talk to you about energy.

I will talk about energy in the creative and “feeling alive” sense as captured in such terms as “flow,” “being in the zone,” and “peak performance.”

I will talk about how you as leaders can create and sustain a high energy organization and a high energy life for yourself. I will use a few of my photos to help me make important points.

What is energy? Energy is simply the capacity to do work. One of our most fundamental needs as human beings is to spend and recover energy.

I want to teach you a little bit about change followed by action items you can take to renew and energize yourselves and your organizations.

The action items I will share with you come from leading-edge research in leadership, change, and human development and ring true to me in my life experiences as a leader, consultant, learner, and seeker of peak experiences.

I am not interested in development for myself or my clients that does not lead to higher levels of personal and organizational achievement so this is about serving the customer and impacting the bottom line by bringing forth the best in people.

Photo of Monarch Butterfly

The miraculous transformation of the monarch from larvae to caterpillar, to chrysalis, to butterfly is a beautiful metaphor for organizational transformation and renewal.

I define transformation as a fundamental change of an organizations values, culture, and operating methods.

The highest energy business transformation experience in my life came while leading a newly formed 4,500 employee business unit at the Star Tribune newspaper in Minneapolis, Minnesota.

My immediate goals were to resolve the issues that led to a teamster led union organizing effort and to save \$2 million in the next two years. We developed a vision for this organization and added the following objectives:

- to improve employee quality of work life,
- to improve customer service,
- to become a more creative and faster moving organization,
- and,
- to increase revenue and reduce expenses.

15 months later we had the following results:

- \$5-8 million in savings from a \$37 million budget,
- 70% reduction in first-line supervision (all voluntary).
- 15% reduction in staff (all voluntary)
- 50%-75% improvement in all, already excellent, customer service measures,
- The union organizing effort went away, and
- No union grievances in over 5 years.

To achieve these results we implemented a vision that emphasized value driven leadership, empowerment, and involvement. We:

- implemented 30 self-managed work teams,
- implemented a skill-based pay system,
- worked in partnership with organized labor,
- redesigned 140 customer service positions around customer groups resulting in “1-stop shopping” for internal and external customers and reduced job descriptions from 25 to 12,
- implemented a major training effort in group process skills, leadership development, quality, and diversity and most of all,
- committed to value driven leadership emphasizing respect, personal responsibility, accountability, and achievement.

The first year of this transformation process was a time of incredible energy, great creativity, close relationships, and astounding achievements. I saw the vast untapped human potential in our organizations—available to all of us as leaders if we create the proper conditions for energy and creativity in our organizations. We received national recognition for our work. I've never felt more alive.

This experience had a profound impact on me and set me on my quest to live a life of peak experiences and to help other to do the same.

Perhaps you are thinking, “We did transformation in our organization already.”

Life is about continual adaptation—more so today than ever before.

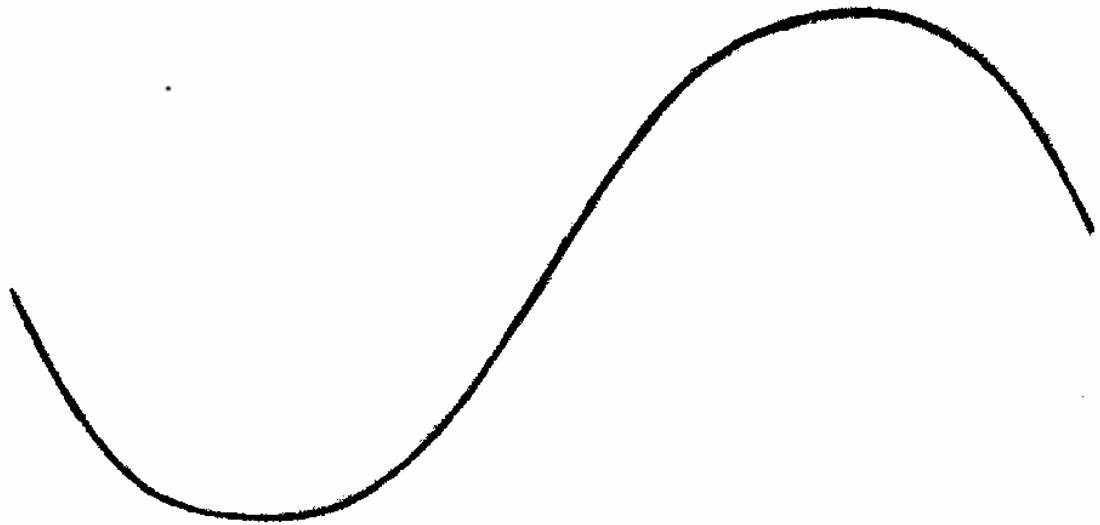
There is good news and bad news of transformation. The bad news is that you have to do it over and over again if you want to endure and that is hard work.

The good news is that you have to do it over and over again to feel energized and that is fun.

What is the dynamic of life that requires us to renew our energy over and over again?

THE SIGMOID CURVE

“All that is human must retrograde if it does not advance.”
Edward Gibbon



I was introduced to the Sigmoid Curve about a decade ago by Charles Handy in his book, “The Age of Unreason.” The Sigmoid Curve is a biological concept used as a metaphor for organizational transformation. The curve is simply an “S” on its side. As I discuss the Sigmoid Curve, imagine where your company is on the curve. Also imagine where your life and career are on the curve.

At the bottom of the curve is the Introductory Phase. Think of a child learning to ride a bike. This is a time of inefficiency, ambivalence, new beginnings, and experimentation. We feel scared, excited, and inadequate. We might be adapting to new people, to new products, to new technology, or to a planned change effort.

In the change effort I described at the Star Tribune, this was the time we read books, visited other organizations, went to conferences, and held many meetings to think and talk about what we wanted. We decided to establish one self-managed team and to study it for a year.

The steep upward slope is the Growth Phase. This is the place of high energy—flow, peak experience, and being in the zone—time is compressed and focus is sharpened. Purpose is clear. The old rules are thrown out and people find what works. Barriers are eliminated and information is shared. Self-organization is self-generated and self-guided. People learn and adapt as they proceed. People take charge, initiative is shown, people work together, and new ideas are born and implemented. Levels of freedom, responsibility, and accountability are high. Hostile and resistant employees are transformed into excited, enthused, and energized people. We feel alive, powerful, and energized. This is where creativity takes off, learning and insight are rapid, and achievement is great.

Remember that I said in the Introductory Phase we were going to establish one self-managed team in the next year. Well, we hit the Growth Phase and ended up establishing 30 self-managed teams in that same year.

The Growth Phase begins to level off as we enter the Maturity Phase. In the Maturity Phase energy drops off—more order is brought to the chaos of change. We make more rules (usually way too many), apathy and boredom may set in, and we may rest on our laurels—comfortable in our arrogance.

It is a dangerous thing to rest on our laurels. While we congratulate ourselves for our achievements in the Growth Phase we may well slide into the Decline Phase.

In the Decline Phase what worked to make us successful in the past, no longer works for us. Fear and anxiety lurk behind a false front of control and bravado.

Yet we continue to hang onto our old beliefs, strategies, programs, and approaches. We work harder and harder. We run faster and faster. We control more and more. We seek quick-fix after quick-fix, behavior regresses, we look for scapegoats to blame, and we may even lie, cheat, and steal in our efforts to make the past work for us again in the present and future. Meanwhile our organizations slide into mediocrity and die slowly or rapidly.

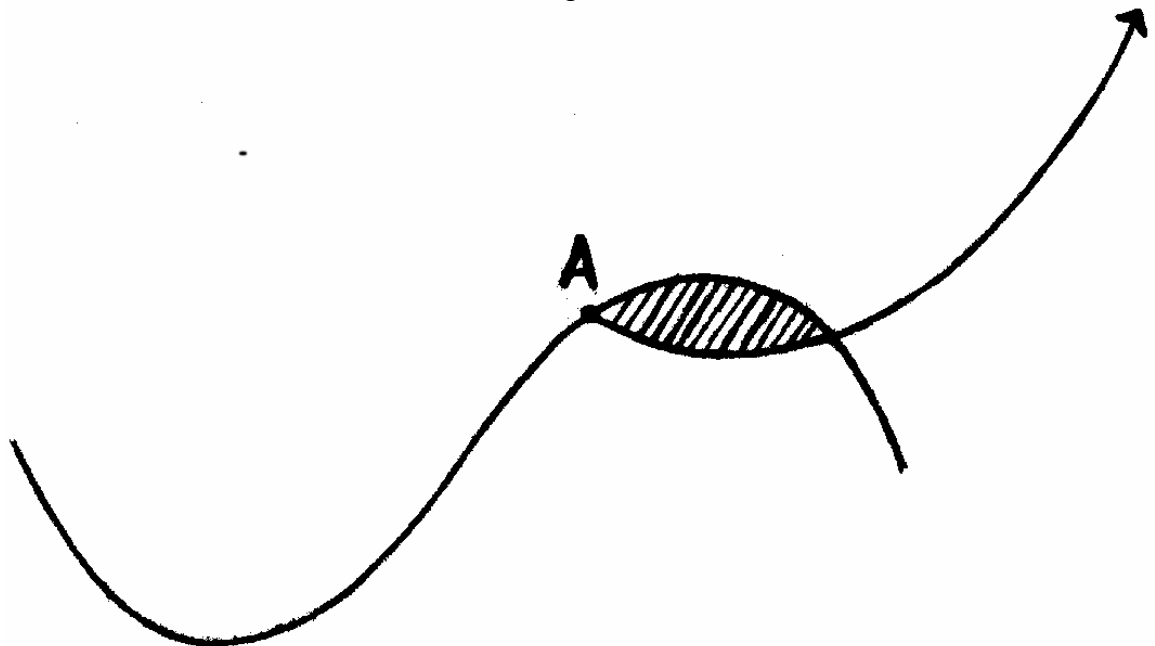
Clearly the data on disengagement, failed change efforts, and the lack of sustainability in our organizations shows that many of us and many of our organizations and institutions are in a time of decline. Many of us are trying to deal with today's problems with yesterday's solutions. It isn't working for us now and it won't work for us in the future.

Standing alone the Sigmoid Curve might depress us in the face of inevitable decline. But there is hope. Decline is not inevitable.

What does one do after winning a Nobel Prize?

You change fields, of course!

Linus Pauling



The secret of constant growth is to start a new Sigmoid Curve before the first one runs out of energy. Point A is the right place to transform again.

Let's first look at the Decline Phase. If we are in decline change is difficult. Leaders have lost credibility, energy is low, and resources may have been exhausted. It takes great effort to lift an organization (or a life) from decline.

Historically we generally try to change when in decline--a place of fear and pain. In the 1930's when AA began, it was thought that an alcoholic had to "hit bottom" to sober up. The problem with that was the alcoholic may be dead, may kill someone else, or may have destroyed so many brain cells that recovery would be impossible after he hit bottom. More enlightened thinking today seeks to "raise the bottom" through early confrontation and intervention.

More enlightened thinking applies the same concept to our organizations. It may seem obvious that point A is the place to change but at point A all the messages to leaders are that everything is working, all things are positive, and you should keep doing what made you successful in the past.

I recall the newspaper publisher who asked, "Why should I change? I became a millionaire doing things this way." The lesson for leaders at point A is that it is in your self-interest not to have your perspective limited by your self-interest. If you cling to what worked for you in the past, you will lead your organization into decline.

The wise leader does not cling too tightly to his/her creations, past successes, or ways of thinking. The wise leader learns from the past but does not turn to the past. The wise leader always thinks renewal. The wise leader can intentionally leave a place of comfort and venture with some fear and pain into the unknown with no guarantees of success because it is the only way to renew one's self and one's organization and it is the only way to have a chance at sustainability.

You'll notice the shaded area on the Sigmoid Curve. To leave the growth curve to begin a new curve requires a dip as the organization/person begins a new Introductory Phase. We pass through the shaded area as we move from growth to a new Introductory Phase.

The shaded area is the end of the old and the barest beginning of the new: A mix of old practices and new ideas; a place of confusion, uncertainty, fear and anxiety; a place of no rules; and a place of conflict. We feel overwhelmed, frustrated, and we seek a quick-fix solution. If we rush to escape the discomfort, we will not transform our organizations. Instead we will merely reform them—put a new façade on the same old building. In the shaded area we need to take time to think, trust the process, share information, and allow people to engage together. The wise leader keeps the organization in the shaded area, involves people, expands

freedom, and manages the energy there for from that energy, well managed, the new vision will emerge.

For many industries and organizations the Sigmoid Curves of their “lives” have compressed, and we cycle through them faster and faster at the expense of quality, integrity, relationships, and time to think. This is a grave mistake. The leap to a new Sigmoid Curve requires strong and visionary leadership. If we move through the shaded area authentically, we will transform yet again and move to a new growth phase.

Some questions to ponder:

How can we move fast AND take time to think, have relationships, be committed to quality, and maintain integrity?

What can you do to move through the Introductory Phase faster?

How can managing the shaded area become a competitive advantage?

How can you stay in the Growth Phase longer?

When do you know the time is right to move to a new curve? To what extent can you learn the skill of anticipating the future?

What is the role of the leader in moving along the curve?

How does it feel to be at each Phase on the curve? How do you help employees manage the same emotions?

What growth is required to change by being attracted to an inspiring vision instead of only by fear and pain?

How can you apply the lessons of the Sigmoid Curve to our lives?

I have a client today that is one of the best led organizations I have seen in the past decade. I'd like to read part of an invitation from the general manager of that company to the employees He wrote in part:

As I reflect on the past and examine our company today, I feel we have reached the maturity of our decade long change effort. I wonder, “What do we do next?” We could rest on our laurels. If we do that, history shows that we will slowly begin to decline, others

will pass us by, and we will face a slide into mediocrity. I don't want that.

Therefore, I conclude that we need to enter into a conversation about our shared future. We will do this not because we are not good enough, have done something wrong, or are not achieving highly enough. Just the opposite: we are leaders in our industry, we are guided by strong values and a strong sense of purpose, and our accomplishments are significant. No, we will chart a new course of change not from weakness but from strength to ensure our sustainability. Our hard work of renewal will energize us and will be our gift to future generations of employees.

Knowing where your organization is on the Sigmoid Curve and leading renewal at Point A is a core leadership responsibility.

Organizations that endure grow and then they begin again before they begin to decline. Change becomes a way of life, not an event. As everything continually changes these organizations are held together by a strong sense of identity.

IDENTITY

As you make the leap on the Sigmoid Curve, many things change. Research shows that in great, enduring organizations identity is the one thing that remains constant in the midst of change.

Our identity describes who we are, the enduring values we work from, and the shared aspirations of who we want to be.

Why do great and enduring organizations take the time to articulate clear values, powerful purpose, and inspiring vision?

Because our organizational and our personal identities provide energy and courage and gives direction to the expression of our energy.

Because when chaos wipes the ground from beneath us, our identity gives us a place to stand. When situations grow confusing, our values provide the means to make clear and good decisions. A clear sense of identity gives people the capacity to respond intelligently in the moment, and to choose actions that are congruent with each other.

Change is most frightening to people when they lack a firm foundation on which to stand. Identity provides that foundation and it gives courage and energy.

Our purpose answers the question “Why do we exist?” beyond making money and being efficient.

Purpose answers the question, “What do we do to improve humanity?” Purpose uses some of our energy not just for us, but to make contact with others and to care for them.

Values are the core tenants about how we treat each other. Values tell us what is right and wrong, good and bad in our organizations. They guide our behavior.

When we go astray we know exactly where we went astray. If we don't have values, we have nothing to go against because we don't have anything to stand up for. Clearly the best leadership in times of great change is value driven leadership.

Normally an organization identifies 4-6 core values. What your values are is not important. What is important is that the values are your authentic values.

Many organizations have beautiful values statements. They work hard to create a good list of values and then hang them in the lobby for public consumption. Unfortunately, they do not live them in their day to day activities.

I talked to a former executive at Enron a few weeks ago and she showed me a video prepared by Enron management. It said all the right things—Jeffery Skilling talked about innovation, diversity, empowerment, and ethical leadership. We all know how effective that was—Enron executives lacked ethics, honor, and courage. Without integrity, a company dies.

If you want your value statements to mean anything, you must establish feedback mechanisms to tell you how well people live the values, and you must hold people accountable for living the values.

Vision is a picture of the future you want to create. I use a model of vision that begins with a big goal and then a vivid description of what achieving that goal will look like.

Vision answers questions like: What legacy do we want for our time as leaders? How do we want to be remembered? What will sustain our organization?

Leadership is about going beyond what is, having a goal of something better and moving to manifest it. We do not go “to” our vision. We go toward our vision always open to new learning and new opportunities. Therefore our vision can change while our values and purpose remain constant.

Many have developed vision, values, and purpose for their organizations and found them wanting. What is generally missing?

In my experience what is missing is:

1. Visions big enough to inspire people,
2. Purpose noble enough to provide meaning, and
3. Values with true accountability.

Leaders are responsible for inspiring visions, noble purposes, and accountable organizations.

Leaders should spend a lot of time working on identity and teaching the organizational identity to employees.

And, remember one thing: people only support what they help create so involve people in the creation of your organizational identity.

When the time came that I knew I would have to leave the Star Tribune to make a leap of my own, I was scared to death. I spent two years working on my personal statement of purpose, values, and vision. I got to know myself a lot better.

My vision, values, and purpose gave me the courage to venture out on my own, to return to school, to begin to write, and to make many other changes in my life. I’ve followed that visioning process many times in the past decade.

I hope that each of you will work to create your own purpose statement, values definition, and vision for your life.

For if you don’t know yourself, how can you know the organization you lead?

Photo of the Crazy Horse Monument

The Crazy Horse Monument near Custer, SD is a powerful example of purpose and vision.

During the early months of 1947, sculptor Korczak Ziolkowski sat and looked at the mountain for five days and five nights. We can only imagine what he thought. At the end of the five days he decided to carve the entire mountain rather than just the top 100 feet as originally planned.

His vision had grown to also include a tribute to all North American Indians: the vision now included a memorial in the round—the largest sculpture ever undertaken, a Native American medical center, the University of North America for Native Americans, and a Native American cultural center.

After all, Korczak said when he came down from the mountain: “I had no where else to go.”

Korczak died many years ago. The work on Crazy Horse continues today led by his wife, Ruth, and their children.

Vision went far beyond what was expected of him and his vision will become real.

You can have a grand vision for your life and for your organization/department and job too. And you can achieve it.

Like Korczak every person has an inborn drive to make his or her full potential real, to become everything that he or she can be.

Over the past 300 years, we have constructed our organizations as machines to maximize efficiency and conformity. The mistake we made was to treat people as machines too. People are not machines. They are creative bundles of energy that can do wonderful things together.

We have effectively blocked much human potential in the design of our organizations. And then, insanely and after dampening natural motivation, we try to motivate people with bribes and threats. We can change that.

So first, as leaders, stop doing anything that blocks that drive and potential in the people who work for you. How much easier to free people’s natural motivation instead. You might ask people what you are doing to block their potential and then stop doing it.

Second, proactively create conditions that encourage and support this natural drive of potential.

HIGH ENERGY EMPLOYEES

These actions are easy to talk about and hard to do. Work on them and you will retain your best employees, gain their discretionary energy, and you will capture the wisdom and creativity that is in your employees.

- Spend the time to identify the talents you need in your organization.
- Hire for character first and then the talent you need.
- Develop people's talents through customized development plans and real-time coaching instead of mandated training programs.
- Compensate for people's weaknesses—this is a dramatic shift in approach. Instead of working on our weaknesses, we work to develop our strengths and compensate for our weaknesses.
- Set clear and achievable goals—this is very important. Goals focus energy. I am amazed at how poorly experienced managers write goals. Goals need to be clear, precise, and measurable—and anything can be measured if you think about it. Use the performance of your best employees to benchmark goals for others.
- Require that employees figure out how to achieve their goals---be available to coach and support. Resist the temptation to tell people how they must achieve their goals or to rescue them. Let them use their talents—not yours. They may resist at first but will astound you later with their ingenuity.
- Require that people make the decisions about the work they do—they know the work the best. Provide them the tools and the training and then get out of their way and don't let them delegate responsibility upward.

A word about job design. Jobs are generally not big enough for people. Give people control over whole processes. Allow jobs to be big enough to energize people.

A good job design is one that offers room to learn and develop skills. It is our job to provide variety and challenge so people do not become stagnant.

- Provide immediate and ongoing feedback—and teach people how to give themselves credit so they aren't so dependent on the boss.
- Practice tough love--high energy leaders are demanding AND supportive. Challenge employees and support them in their work to achieve their goals.
- Recognition, recognition, recognition—but not bribes. Recognition is the #1 reward for people. People hunger for meaning. They want to know that their work matters and is of value.
- Invest in supervisor training as people quit their immediate supervisor, not the company—if you have a turnover or achievement problem, look at the immediate supervisor.
- Share information freely—it builds trust and is the nutrition of organizations.
- Always tell the truth. People will not follow leaders into uncertainty if they don't trust them and they won't trust people who are not truthful.
- Treat all people the way you want to be treated. The best philosophy remains the golden rule.
- Connect people with one another—give them time for conversations and group reflection. It is how people create together.

Photo of people hugging a great gray whale.

The power of connection was never as self-evident as the day I sat in a small skiff in the Baja of California bobbing in light waves. I watched as a 40 foot long, 40-ton great gray whale surfaced slowly beneath the boat and gently introduced her new child to the boat's elated observers.

I peered into the large, serene eye of the mother and wondered what her world was like. I realized that in one slight movement she could destroy the boat and kill its occupants. Instead, she chose to form a relationship with us—a profound choice: kill or relate.

Mother and child floated with the boat for a few minutes. The whales allowed the exhilarated humans to touch them and to lean over and kiss the barnacle covered parent before mother and child submerged slowly and disappeared.

From my time in nature, I've come to understand that nothing living lives alone.

The same dynamic happens at the human level. Authentic connections and conversations shape our creative relationships.

As we connect with others our intimacy deepens, and our trust in ourselves grows.

As we engage we go deeper into what matters to us. From our reflection, authenticity, and shared experiences, we create together. This is how life organizes itself. And how we adapt and evolve ourselves and our organizations.

Last week I met David Pinder, plant manager of cardinal IG (a glass manufacturer) in Fargo, ND. As we toured the plant I noticed that Dave knew everyone by name. He said he knows all 300 people by name and he knows a lot about them. He said,

"I care about them. Most of these people, from 15 different countries, would do anything if I asked them to because I take time to know them as human beings."

The wise leader takes time to engage with followers. The wise leader connects followers to one another.

HIGH ENERGY LEADERS

How do we develop ourselves as leaders?

My colleague Kenny Moore, author of "The CEO and the Monk" works at Keyspan Energy in New York. Kenny says that his 15 years in a monastery, surviving cancer diagnosed as terminal, and open-heart surgery qualify him to work in the corporate world.

It is a difficult time to be a leader.

Hundreds, if not thousands, of books have been written about leadership. After a while, the lists of advice become so long as to be meaningless. I did my best to reduce my list to those actions most important, in my view, to leadership in a chaotic world.

- People are tired. We need to rest after great expenditures of energy. Leaders are the stewards of organizational energy. Manage your physical, mental, emotional, and spiritual energy so you can lead your organization to peak experiences. Encourage others to do the same. Your physical health is the key determiner of your energy. Add mental stimulation, good relationships, and a personal identity of vision, values, and purpose to fitness and you will have the energy to lead. I recommend the book, “The Power of Full Engagement” by Jim Loehr.
- Research shows that extraordinary people take time to think. Reflect on the experiences of your life and your organization. Life is too interconnected, complex, and chaotic not to. I advised a client to take 15 minutes a day to think—not meditate—just think. He asked, “What would I think about?” Now that is a scary response.

Satchel Paige said, “Sometimes I sits and thinks, sometimes I just sits.” Either will do.

- Seek depth of understanding—study and understand the dynamics that cut across our organizational lives. Learn to understand your organization as a living system—not just a machine. You owe this depth of thought to the people you lead.
- Identify your talents and develop them by new learning and skill building. Do what you love and you automatically become a leader.
- Take your own moral inventory—don’t blame others. Be personally responsible and accountable.
- Hang out with wise people—find coaches and mentors to learn from.
- Cultivate a perceptive imagination—imagine the consequences of your actions and the impacts of your actions on others. Use that imagination to develop empathy. On a larger scale, use that imagination to cultivate a vivid vision for your lives and businesses.
- Learn to tolerate confusion and ambiguity. Realize that if you stay with inner chaos, it will come to order with new possibilities.

Often we make decisions just to make the angst go away. Learn to live with it for a while until new ideas emerge, and they will.

- Be optimistic—we have the knowledge and the opportunity to learn from the experiences of others—personally, organizationally, and globally.

Think well of people and be positive about the future. Peak performers consistently maintain their conviction in the value of their purpose in life. In even the darkest moments they remain optimistic.

- Authenticity—be who you are, all of who you are, in all areas of your life. The dedication of top performers comes from living what they truly care about. Be real about your weaknesses, your vulnerabilities, and the wounds you have that hurt others. Also be real about the great caring and compassion you have.

Make bold choices from your authenticity. We don't need new technologies to solve our organizational and global problems. We need will and commitment.

Photo of male lion in Africa.

Events all around us show us that the ways in which we lead, change, and sustain our organizations and institutions are not working for us in today's world.

This need for new ways to lead is a central and pressing challenge of our time. We need new approaches.

Price Waterhouse has a commercial on television. It says that "Business needs a chief courage officer." This could not be further from the truth.

The responsibility for leading renewal in ourselves, our organizations, our nation, and our world rests with each us everyday folks, not another staff position. Transformation begins with each of us.

No heroes will rescue us. No quick-fix will solve our problems instantly. True, lasting renewal is done by ordinary, tired, and discouraged people—just like us. The source of new inner energy comes, paradoxically, from within each of us.

The times in which we live call for personal courage. Courage is not the absence of fear. It is the will to go through our fear and to do the right thing despite our fear.

Courage is a choice. We gain our courage by doing courageous things—one act at a time. When we live from our values, our sense of purpose, and our idealism we engage our hearts and find our courage.

Each of us can choose growth or stagnation for our lives and the organizations we lead. Our choices will determine the legacy for our lives and the sustainability of the enterprises we lead.

What is in it for us to do this hard work of leadership? How about a fulfilled life, the happiness of participating in something greater than our self, a sustainable organization, and a legacy of contribution to humanity. When the end comes for each of us, as it surely will, will our days have helped the continuum of life or harmed it?

Leadership is noble work. Leaders like you touch the hearts and impact the lives of good people. Always think about how you lead and how you can lead better.

Ralph Waldo Emerson said, “The world belongs to the energetic.” If you care and do the hard work of leadership, you will energize your life and the lives of the people you lead.