

the navalent

Fall 2015

quarterly



THRIVE

*What your organization needs
to grow and flourish*



safety *What all great orgs
have in common*

connection *Can heirarchy
create more of it?*

resiliency *What is it and how
do we get it?*

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"Without continual growth and progress, such words as improvement, achievement, and success have no meaning" - Benjamin Franklin

Close your eyes and recall a moment when you felt energized -- not just hyped up because of your third cup of coffee. We are talking about a deep energy. Remember a moment when you felt alive and like you had purpose. Close your eyes and let your mind and body recall a moment you felt you were thriving.

Our bet is that you did not recall lying on a beach sipping a Mai Tai. We are nearly certain that what came to mind was not watching a college football game from the couch. What we are nearly certain of is that it was a moment when you felt like you were contributing. We imagine it was a moment when you felt confident in your strengths. We imagine it was a moment when you felt connected to others.

Want more of those moments? These seemingly fleeting moments are the focus of this Navalent Quarterly. We want to discuss how we can be leaders who thrive and how organizations can create a context in which more thriving can happen.

The word thrive has its roots in botany and is defined as "vigorous growth." Who doesn't want vigorous growth for themselves or their organization? Wanting it and encouraging it, however, are two different things. As acclaimed scientist and chef Daniel Barber describes, "To grow nature is to encourage more of it. That's not easy to do. More nature means less control. Less con-

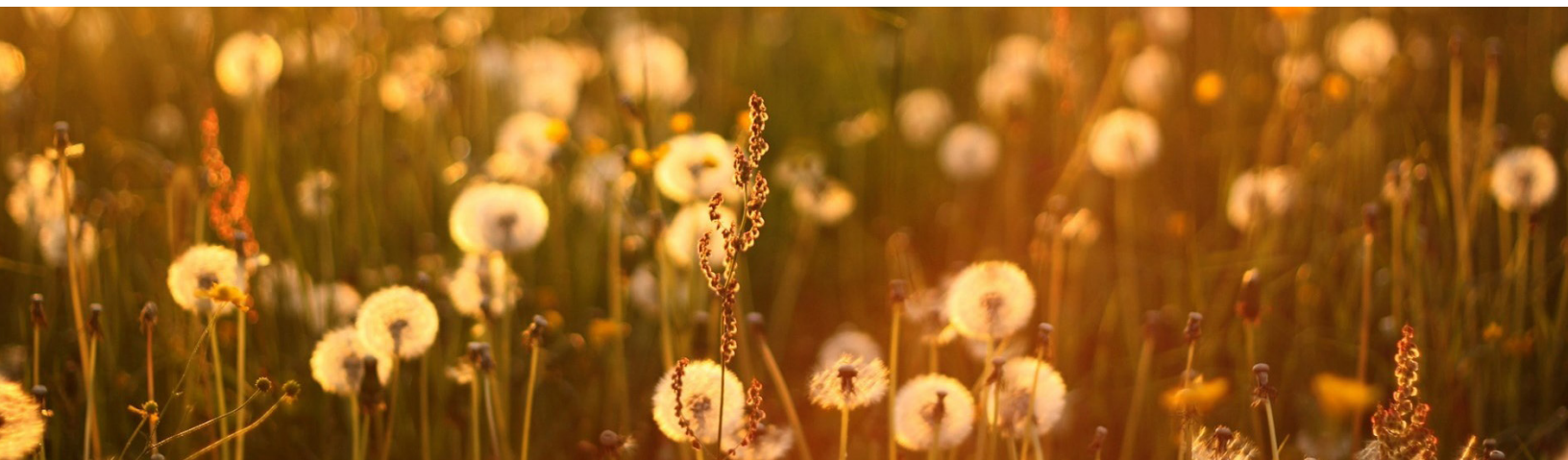
trol requires a certain kind of faith...The best farmers are observers. They listen. They don't exert their control."

Learning how to encourage growth in an organization is more important than ever in our workplaces. Statistics show that many people are quitting and leaving (giving up on the promise of organizational life and going into self-employment) or they are quitting and staying (studies say that 70% of the workforce is disengaged). Either way, it is a failure of the promise of organizations to steward people's experience of employment and to help them thrive.

In this Navalent Quarterly we will ask ourselves how specific elements of organizational life – management, organizational structure, talent development, networking – can create the context that encourages thriving. We will share what we believe are the four inseparable requirements of a thriving organization. And through these posts we hope that we can all learn how to be "organizational farmers" who listen, respond, and design opportunities for vigorous growth.

Here's to more thriving,

team navalent 



JUST THE FACTS

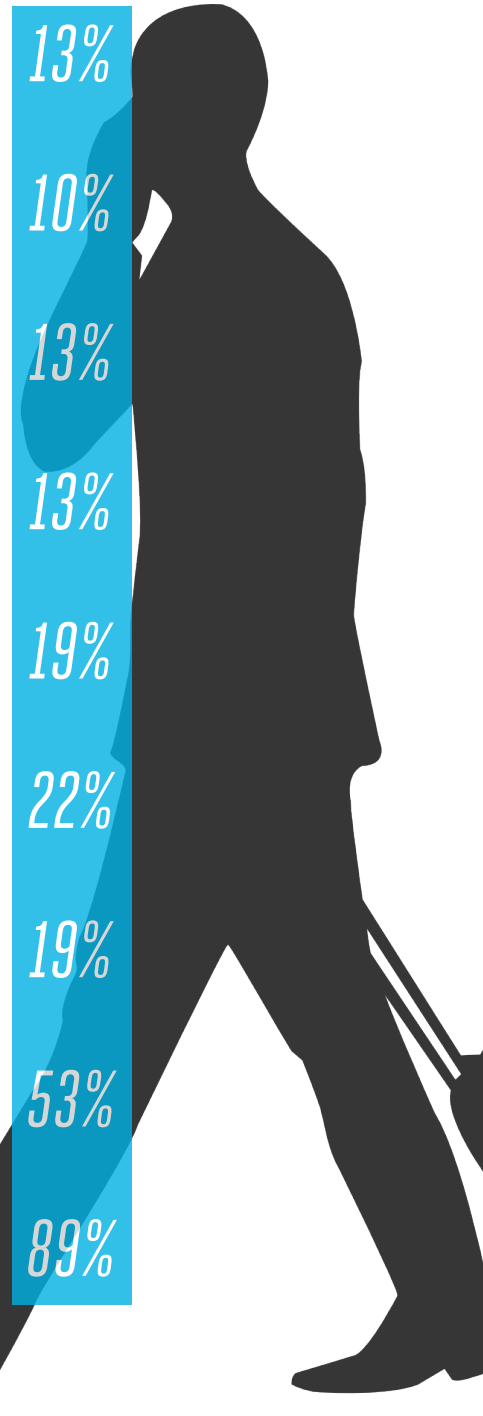
One component of a thriving organization is thriving employees. Engagement scores are one way that companies measure the well-being of their employees, but do we really know the cause of their engagement? We find these facts quite telling.

PROPORTION OF HIGHLY ENGAGED

PROPORTION OF LOW OR NO ENGAGEMENT



92%	BOSS HAS TALKED TO THEM ABOUT THEIR PROGRESS
97%	SOMEONE ENCOURAGES THEIR DEVELOPMENT
88%	THEY HAVE BEEN PRAISED RECENTLY
98%	THEY HAVE OPPORTUNITIES TO GROW
74%	THEY HAVE A BEST FRIEND AT WORK
98%	SEE THEIR JOB AS IMPORTANT TO THE ORG
91%	THEIR OPINIONS COUNT AT WORK
99%	ABLE TO DO THEIR BEST EVERY DAY
99%	THEY KNOW WHAT IS EXPECTED OF THEM



13%
10%
13%
13%
19%
22%
19%
53%
89%



Learning to Thrive: the four things we all need from work to feel alive

By Ron Carucci

We recently worked with a Fortune 100 company that was hell-bent on making the “Best Places to Work” list. After four years of improving employee benefits, instituting flexible dress policies, giving people Friday afternoons off in the summer, and hosting multiple family events throughout the year, their employee engagement scores were actually lower. Their attempts spawned entitlement among their employees, whose appetite to be taken care of had become insatiable.

All organizations want their employees to thrive. Research shows that a thriving employee means a growing company. Recently, however, countless studies have shown how deeply organizations are failing at providing thriving conditions for their employees. Everything from excessively low employee engagement scores to rising turnover costs and the increase of sole proprietorships tells us that people have lost faith in the promise of the corporation as a place where they believe they can thrive. So what, then, is an organization to do?

Searching for an answer, every possible methodology for improving employee engagement has been looked at. Increasing a sense of meaning and purpose in the workplace, unleashing the passion of people, and scores of

other self-help gimmicks have created an entire industry that helps desperate organizations find ways to retain employees and maximize their contribution. In and of themselves, these approaches aren't bad, but as we saw with our Fortune 100 client, they are just incomplete. Addressing only some employee needs, or taking a programmatic approach to addressing only one of them (e.g. offering incentives for increasing employee engagement and retention in your department or offering "discovering your passion at work" seminars) will still lead to employee's failure to thrive.

In our diagnostic work of more than 200 organizations over the last decade, we have seen what great organizations do to help employees thrive. Consistently, they pay attention to four integrated needs of their people, all of which combine to determine the extent to which employees actually thrive. In our experience, employees are thriving when they can consistently claim the following four statements:

I'm developing (professional thriving): I'm thriving in my need to expand my influence and ability.

I'm confident (emotional thriving): I'm thriving in my need to feel safe and hopeful.

I'm known (relational thriving): I'm thriving in my need for community.

I'm valued (significance thriving): I'm thriving in my need to contribute meaningfully.

The figure below highlights how interdependent these dimensions are. Each plays a vital role in establishing the conditions for the other. Without one of them, the ability for an organization to create the conditions in which an employee can thrive will be compromised. If corporations have any hope of not just retaining employees, but truly building a thriving and vibrant environment in which employees want to contribute, they will have to do all four of these exceptionally well.



Sadly, too many of today's large corporations still treat these needs as discretionary, not as mission critical. We will be devoting an entire quarter, and this edition of the Navalent Quarterly to more deeply understanding each of these dimensions of a thriving organization and community. What's important to understand is that the work to cultivate all four of these is different. While they are interdependent, what it takes to cultivate them is actually distinct. Too many organizations make the mistake of hoping their efforts will be silver bullets – that one great effort will yield all four. The dangerous truth is that one great training program, for example, may contain elements of two or three of these dimensions. Employees may learn new important skills, which in turn helps them expand their capability. As a secondary benefit, they may feel more confident and meet new colleagues from across the organization, but the actual need to thrive with confidence and community is not sustained by a training program. What's critical about each

of these dimensions is that for employees to thrive in all four, mechanisms must be in place to sustain all four.

Let's take a look at each one to better understand what's required to build and sustain each.

"I'm developing" – the expansion of capability and influence

While having a great training curriculum is certainly a start to providing learning opportunities for employees, it by no means is a surrogate for an environment that values ongoing knowledge, curiosity, openness to new approaches and ideas, and a genuine desire to broaden one's reach. Beyond the classroom, an employee's ability to thrive in his or her own development means that leaders are constantly offering helpful feedback, providing opportunities to stretch and try new things, inviting dissent, and encouraging employees to think differently about their work. Instead of being threatened by an employee's expansion of skill or ambition to broaden his or her career, organizations in which people thrive in learning are eager for people to express desire for greater impact. Practically, what this means is that access to important decisions, information, and initiatives, the chance to offer new perspectives, and priority budget investments made to build the skills needed for the organization's most important work are routine parts of how the company is run.

"I'm confident" – feeling emotionally safe and hopeful

How many times have you heard an organization referred to as "toxic"? We can recognize such companies instantly. Sadly, it's because they are more commonplace than we might want. Culture change efforts of all types have been proliferated in attempts to eliminate the negative and fearful environments of such organizations, usually to little avail. The emotional psyche of an organization operates as deeply as a human one. To restore and sustain its health also requires the organization to work as deeply as an individual might. Embedded intricately into the fabric of an organization's policies, processes, governance, and leadership are the devices that determine the emotional health of an organization. While it's true that a boss widely has the most immediate impact on the confidence and emotional safety of an employee, behind that boss can lie a host of devices that can undermine even the best leadership. Unfair compensation and reward processes, a lack of transparency in decision-making, capricious allocation of resources, and constantly changing priorities are a few of the more common perpetrators serving to erode confidence and hope.

"I'm known" – connecting with a great professional community


Scores of data points have validated how critical great relationships in the workplace are; but a million affinity groups, communities of practice, networking forums and team building events later, greater trust, cohesion, and friendship still elude colleagues. The kind of vulnerability required for someone to truly say "I'm known" is far greater than answering the question, "If I were an animal, I'd be a" The good news is that organizations are making genuine attempts to convene and connect people, acknowledging the importance of strengthening people's networks across complex organizations. In small organizations, one of the



greatest laments of (and resistance to) growth is the loss of a familial sense of connection. “We used to all know each other’s names,” goes the cry of expanding organizations. Leaders need to model the degree of authenticity and vulnerability required to truly be known, and then champion the behavior into all organizational convenings – annual meetings, conferences, networking and affinity forums, and especially intact teams and interdependent departments where performance hinges on relationship.

“I’m valued” – knowing my contribution matters

The literature on finding meaning in the workplace has grown exponentially for good reason. People come to work every day on the hunt to validate one foundational hypothesis: I’m on the planet for a good reason. To the extent that they can leave their workplaces with a strong sense of significance – secure in the knowledge that their contribution made a difference and is valued by the organization for whom it was made - that is the extent to which you can predict they’ll return the next day and do as good or greater job. As 70% of the workforce is disengaged, it is an easy bet employees are going home feeling anything but valued. This doesn’t mean leaders should go on “praise my people” campaigns. Rather it means making sure that all processes associated with performance and talent management leave no stone unturned in letting people know exactly where they stand, how their work connects directly to the larger mission regardless of their role, and how much the organization appreciates that contribution.

Wondering how to solve the mystery of how to help people thrive in your organization? Do all four of these exceptionally well, and there’ll be no mystery. Your employees will tell you that yours is the best place to work. Leave one or more to chance, and learn to be satisfied with mediocre outcomes or, perhaps worse, entitled employees. 



HEIRARCHY'S NEW GOAL

what you need to know about org structure's newest trends

By Mindy Millward

Tired of traditional hierarchy, a growing number of new and established companies are trying to create organizations with no-structure structures. These innovative “open allocation management structures” go by names like Management 3.0, Agile, and the increasingly popular Holacracy.

One of the more notable experiments of Holacracy is being led by Tony Hsieh at Zappos. About Holacracy he says “We’re trying to figure out how to structure Zappos more like a city, and less like a bureaucratic corporation. In a city, people and businesses are self-organizing. We’re trying to do the same thing by switching from a normal hierarchical structure to a system called Holacracy, which enables employees to act more like entrepreneurs and self-direct their work instead of reporting to a manager who tells them what to do.”

And while Tony and the other CEOs like him are all well intentioned to experiment with their structure, all of these organizational design trends are attempting to answer the questions –

- How do organizations and the people that lead them build and nurture relationships?
- How do we ensure that individuals thrive through an interrelated and value additive series of connections?
- How do we neutralize the negatives of necessary structure such as rank, hierarchy, and the abuse of the power associated with them?
- How do we expand accessibility and contribution, and create values at the seams?

Organizations that THRIVE increasingly find a way to foster community and build actual systems and structures that enable employees to be “known.” Being known means being seen as both a part of something larger than themselves and having their individual impact highlighted. Far from being an impediment to relationship, a purposeful structure and managed horizontal set of seams (between people and functions) can both increase value to the company and deepen connection between people. Good structure, and even hierarchy, is not about bureaucracy but about enabling the relationships that create additive contributions, both within people and among the building blocks of an organization.

These trends in management structure are essentially the age-old concept of building a flatter matrix structure that creates team-based organizations. These organizations are more efficient at decision-making and at connecting people to the work they do rather than the functional discipline they come from.

However, in many larger organizations today these matrix structures are often put in place solely for the purpose of lowering costs. Additionally, placement in a complicated matrix structure is often seen as status-related and not role-based. Without building the supporting relationships between the seams instead of relying on a set of rigid rules or a power structure to make them work, employees can feel stifled rather than empowered by such complex systems, which often collapse under their own weight.

Done correctly, however, these horizontal organizations can put the power in the hands of employees and increase their connection to each other and an organization’s ability to thrive. Employees get the chance to learn more easily a diverse set of skills from each other and the work they contribute. Their ability to see work and projects end to end as opposed to fragmented or compartmentalized opens them up to a world of possibilities.


*ORGANIZATIONAL STRUCTURE
SHOULD ENABLE EMPLOYEES
TO FEEL KNOWN*



This exposure, in turn, creates hope and passion for those they work with and the value they can create. A thriving leader feels connected to his/her colleagues and the organization's leaders, and structure can either enable or neuter these connections.

Structures that enable employees to THRIVE through relationships ask the following questions and purposefully build them into the formal fabric:

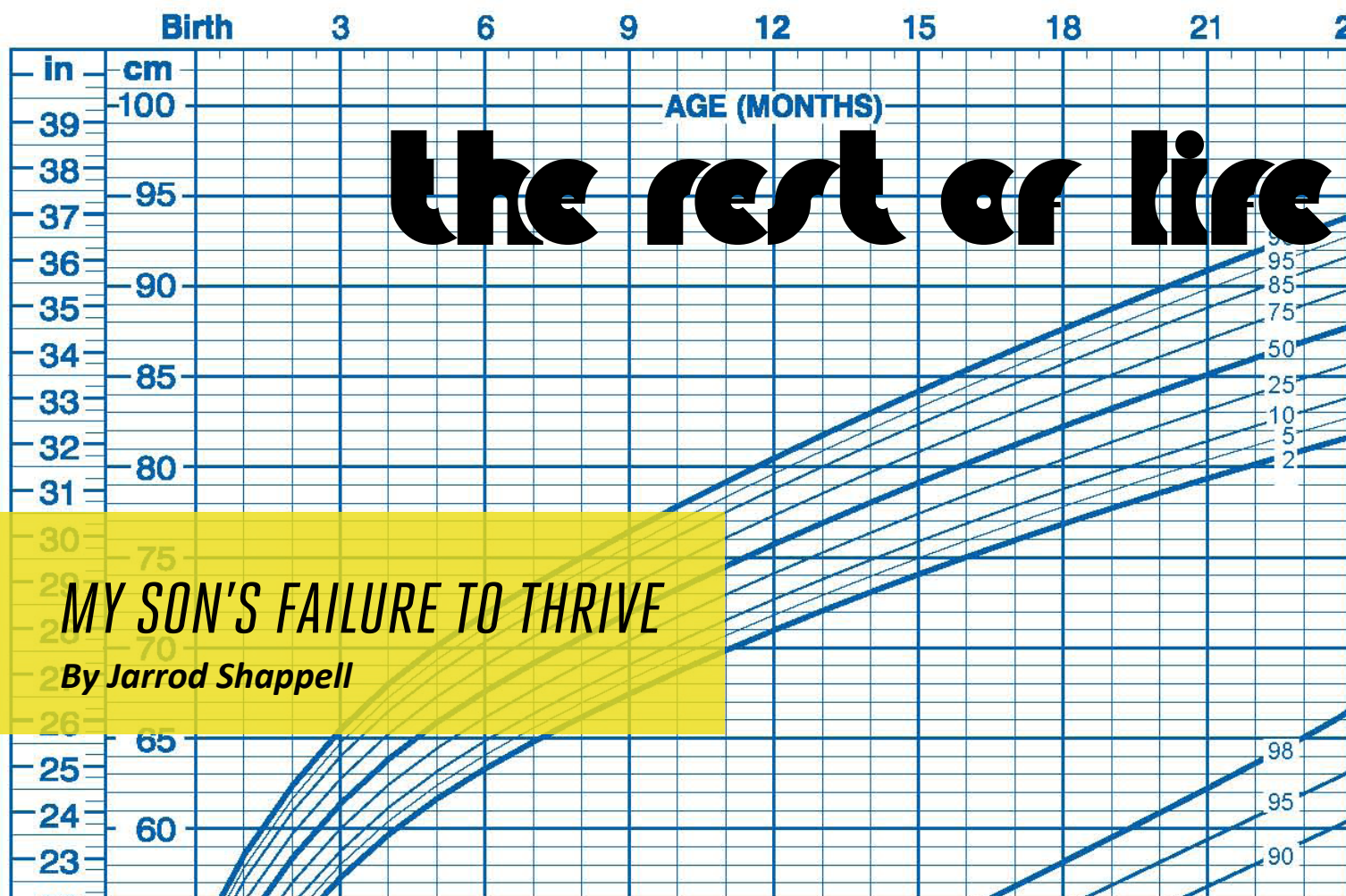
- What is the unique value we create at the intersection of our respective boundaries that could not be created by any one of us individually?
- What are the risks and implications of failing to deliver this value consistently over time? What are the competitive advantages of delivering and even increasing this value consistently over time?
- In the present time, what conditions that exist in our relationships negatively impact effectiveness?
- What would have to change in our relationships to more consistently deliver and increase the value we create?
- What commitments to change will we make to each other in order to enable these changes?
- What value and results should we see (near term and long term) because of these changes?

So call it whatever you want – Holocracy, Structureless Structure, Management 5.0 – it doesn't matter. What is important is that you provide a formal structure where employees feel known, can add value, and are deeply connected to the vision for your organization. 

Birth to 24 months: Boys Length-for-age and Weight-for-age percentiles

NAME _____

RECORD # _____



His eyes were sunken. His stomach shrinking. His ankles thinner than his wrists. A month ago my second son, Ezra Haines Shappell, was diagnosed with a “failure to thrive.”

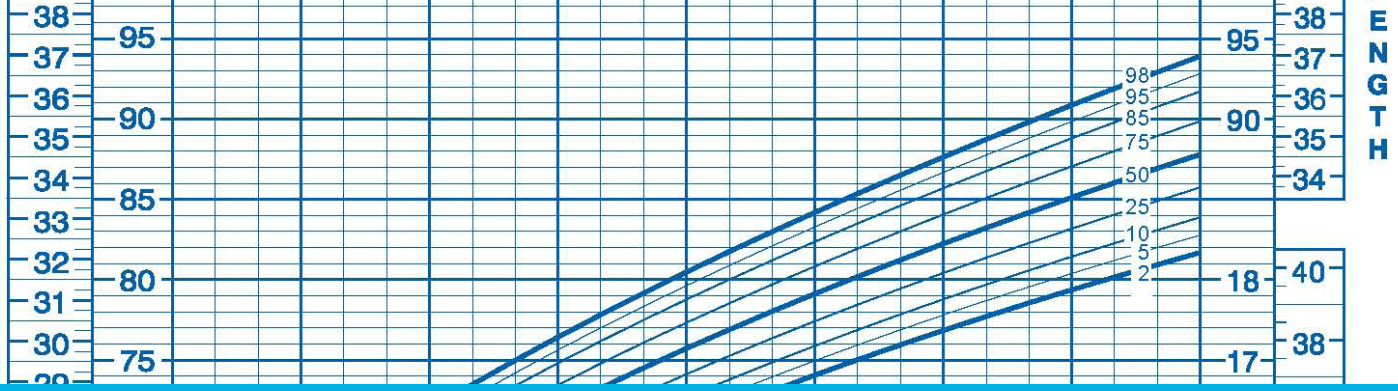
I’m nearly certain that 31-year-old me could be diagnosed with the same, but by God’s grace I don’t have a doctor. What “failing to thrive” means for an eight month old is that his weight dipped below the first percentile on the pediatric growth chart and that specialized interventions were required. This diagnosis was the domino for a number of doctors’ appointments and the utterance of words like “endoscopy” and “anesthesia.” Que parental panic.

I’m not sure if you are on the Facebooks, but it is a sandbox for parents showing off the healthy development of their child. When someone posts Jaxon’s ½ birthday picture and he just so happens to be eating fried chicken off the bone, that is a parental brag. When you read some-

thing like “Soeren had a great first day in his culinary class. Best crème brule I’ve ever had from a one year old!” the parents are trying to tell you that their kid could kick your kid’s ass.

And for the last few month’s I have felt like most kids could kick my second son’s ass. Literally. Ezra is so small.

But small compared to what? I began to do a little research. The weight curve used by our pediatrician is from the CDC and is based on weight and height information from US born infants and their biological parents from the 60s and 70s. They didn’t have stuffed crust pizza in the 70s. The body has changed, people. Additionally, I discovered another growth chart from the World Health Organization that uses data from other nations and that chart is said to be



more in line with a breast fed baby and is easier to translate to children who have lower birth weights (like my twin son, Ezra).

The point? As is most often the case, this official measurement is comparison cloaked in science. I was freaking out because of how my son compared to others. But this isn't just about my son. I compare myself to the societal mean all of the time. Am I alone? Size of house, dollars in checking account, number of followers, number of gigs booked, breadth of influence, weight, and proper puffy lip shape are just a couple that we as a society are regularly comparing.

And as David Brooks so eloquently stated in his newest book *The Road to Character*, "There are always other people who might do better. The most ruthlessly competitive person in the contest sets the standard that all else must meet or get left behind. Thus, everybody else

has to be just as monomaniacally driven to success. One can never be secure."

As long as the measurement of development is external and based on society's markers, we will always be losing and never secure. So how then can we measure development differently?

DEVELOPMENT IS A PROCESS OF EBBS AND FLOWS, REGRESSIONS AND RETREATS

In order to measure development (broadly, not just for bambinos) differently we must see our development as a linked and dynamic process. Development of an infant, of a leader, or even an organization is a process full of ebbs and flows, regressions and retreats.

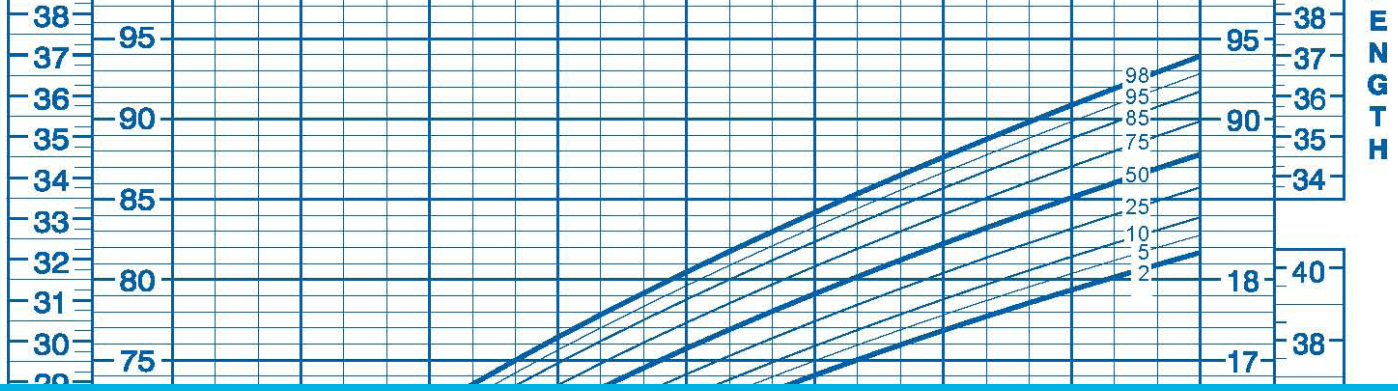
Therefore, the process cannot be picked apart, singled out, and studied as if it is a machine. We are more than the sum of our

parts.

When I compare an image of 6 month old Jaxon chowing down on his KFC to my sweet little Ezra gurgling up his breast milk, all I am thinking about is his weight. I am not noticing that Ezra is rolling like a tumbleweed or that he's increasingly social and vocal. As Ezra's other developmental markers were hit or exceeded what became clear is that while a child may excel in one area, they may need extra time, attention, and intention in another area.

We all fall into this trap. If you say you're a writer and you haven't written anything in six months (raises hand, hangs head) then that is data to pay attention to. But it is not the truth about you. You were likely developing life experiences that could become things to write about. If you are slow to marry compared to your peers, you are not unlovable. Your romantic muscles are developing at a different pace because perhaps you were developing your career. If your organization has not increased revenue this quarter, but the team is more together and you are enjoying the office more, perhaps this is a season for developing the unity required to grow revenue the rest of the year. We are always becoming





ing, developing into something. Our work is to name and celebrate what is growing, not to compare and lament what is not.

In addition to my myopic focus on Ezra’s skinny baby body, I also lost site of other factors that may have impacted Ezra’s weight gain. Sometime in December Ezra got a cold that stuck with him through March. When we went our first appointment with the Gastroenterologist she suggested that this cold was the cause of his weight dip. Ha! Those Stanford educated scientist expert people don’t know anything! Why would congestion, nasal drainage, or facial discomfort impact his ability to e...OMG. That’s what did it. He was less interested in eating because it was uncomfortable for him to do it.

And as we think about human development or maturity, we must understand learning and growth. Your unreliable performance at school or work. Your your ability to develop intimacy with down the building of trust in a loved that a runny nose would cause an dropping off the chart, but it did. The our development are vast and are of-

His weigh in was this week. For my drama than anything Paquio and undressed him. He felt the same. We weight! A lot of it. The GI told us we didn’t need to come in again. Apparently the second percentile is thriving-ish. And just like that Ezra’s regression had turned to progression. The set back took a back seat.

A month ago doctors told Taryn and I to give Ezra more formula, put butter in his solids, and sneak him an extra bottle at night. I guess it worked. But I can’t help but wonder if in order to grow, Ezra’s parents needed a deeper understanding of the non-linear, mysterious, unpredictable dance of development so that we could be more secure parents. 🚩

*OUR WORK IS TO NAME
AND CELEBRATE WHAT IS
GROWING, NOT TO
COMPARE AND LAMENT
WHAT IS NOT*

that numerous factors can impact roommate may be affecting your anxiety about work ay be inhibiting your partner. The weather may slow one. I didn’t automatically think infant to go from 50th percentile to factors, both positive, that influence ten less obvious then first thought.

wife and I, the results held more Maywhether could muster. We sat him on the scale. He had gained

Millennials: "We Need Help"

By Josh Epperson



We're in the middle of a historic change. In 2014 the Bureau of Labor and Statistics found that Millennials (born between 1980 and 2000) are now the largest generation in the US labor force. Over the next five years, Baby Boomers will decline by 28% to 30 million while Millennials will grow by 30% to 72 million. In short, the tenured leaders are leaving and the new kids are here to take over.

But are Millennials ready to lead? Maybe not. According to Deloitte, 64% of Millennials say that they are in leadership roles where they feel unable to thrive. Yet Millennials' expectations and intolerance around the conversation make it difficult to make progress.

Leaders thrive (and businesses win) when individuals excel at their jobs; and in order to excel, leaders must transform their leadership skills at a pace with or faster than their evolving context (e.g. change in competitive landscape or company strategy, or being thrown into a role beyond their years). Seems obvious, doesn't it? But what's obvious to many is practiced by few.

Millennials who thrive prioritize time to identify the requirements for success, evaluate their leadership against those requirements, and create development actions to become the leaders they need to be to succeed. Unfortunately, for most Millennials time for such experiences and process intolerance (due either to the ever increasing speed of business or lack of desire to approach the process as it has happened in the past), leave the majority of these new leaders feeling unprepared. I had a conversation with one such leader, and here's how he described it:

"I'm getting laid off. Some of their feedback was founded, but they didn't do anything to mentor or develop me; they just let me go. It doesn't seem right that they can do that. They need to help me get better."

In his words there is an underlying expectation that 'they' should be approaching this as 'I' would approach it.

If you are a Millennial and find yourself with 64% of your peers feeling unprepared, you most likely desire development that is customized, includes real-time feedback, and looks deeply at your personality and passions; but while that is the way you would do it, these high touch, frequency intensive, customized initiatives are difficult to scale across growing businesses, and thus may not be as readily available as you would like at the outset of entering a new company.

So how then can our organizations prepare themselves for this leadership shift? If you're a Millennial, or work with a leader who is, the following suggestions may come in handy when discussing leadership development.

Don't believe you can become Jeff Bezos overnight.

Do pace your development efforts and take a marathon approach to your transformation.

Research indicates that it takes roughly one year for new employees to effectively assimilate into a new organization. It also indicates that best practice onboarding includes new employees meeting one development milestone within their first year of employment – yes, that's right, ONE. Whether you're a new employee or veteran, a cram-packed, overly ambitious development plan is a recipe for development burnout; so redefine what success looks like and pick your most important opportunity, realize that, and move to the next. Becoming Bezos takes years.

*DEVELOPMENT IS
ITERATIVE AND
BUILDS OVER TIME*

Don't believe your development is so unique that you have to reinvent the wheel every time.

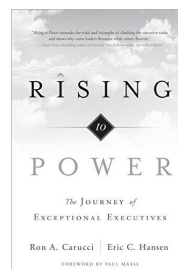
Do express your development desires and work to co-create the process and outcomes.

Underneath the need to customize is usually the need to be included. Leadership development is no different. More than ever before, leaders want to be included in the creation of the process and delivery of their transformation – you're probably no different. If you're a Millennial, sign up for the process as it is, and express your desire to have your fingerprints on the design. Be careful not to take an all or nothing stance: get involved where you can. More important than reinventing the wheel is making sure Millennials feel heard and believe their voice matters. Meet in the middle, and develop an approach that incorporates tenured experience with opportunistic idealism.

Don't wait for a mentor or employer to own your leadership transformation.

Do assume you need to learn, take personal responsibility to do so, and be creative.

Many of today's workforce misguidedly believe their development is someone else's responsibility. Managers and talent professionals play Gumby, trying to figure out what 'they' want and need and by when. Meanwhile, entitled leaders play hard to get and wait to be presented with the development 'how to' guide. Regardless of where you sit, don't succumb to that dynamic. The primary ownership for your development ought to fall squarely with YOU -- and sometimes you just have to get creative. Many companies do not have formal development programs, so be resourceful. Regardless of what your company does or does not have, there are things you can do right now to own your development. Go seek out five colleagues and ask them to tell you what's most and least effective about your leadership. Get specific examples. Your job is to mine patterns and choose more effective future leadership. We are now used to getting virtually anything at the click of a mouse, but development doesn't happen that way. It's iterative and builds over time, so you may need to reimagine the speed and progression of development processes. So while Boomers may be leaving right now and Millennials may be waiting in the wings, it is important for us all to understand that it takes time and intention to thrive. 🚩



*For more insight on this subject, check out the data from a 10-year longitudinal study in *Rising to Power* to see how many new executives could better prioritize and enact their development.*



RESILIENCY: WHAT IS IT AND HOW DO WE GET IT?

By Eric Hansen

In our world of growing uncertainty and an accelerating pace of change, it is understandable that everyone is talking about RESILIENCE. There are currently over 6500 books available on Amazon.com that include some form of the root word “Resilient” in their titles; and while talking about resilience is currently all the rage, resiliency as a conceptual theory and an individual trait has been studied for more than four decades across a variety of disciplines.

A small sample from the large body of research includes the field of psychology, where resiliency has been defined as the ability to bounce back or overcome hardships by repairing oneself (Wolin & Wolin, 1993). In psychiatry, it is recognized as the psychological and biological strengths humans possess that enable them to navigate change successfully (Flach, 1988). Develop-

mental psychopathology identifies resiliency as people’s ability to cope with challenges and threats while maintaining strong behavioral integrity aligned with their value system and sense of self (Garmezy & Rutter, 1983). Human Development science refers to resiliency as being able to withstand or successfully cope with adversity (Werner & Smith, 2001). Finally, in the field of change management it is viewed as the ability to demonstrate both strength and flexibility during the change process, while displaying minimal dysfunctional behavior (Conner, 1993).

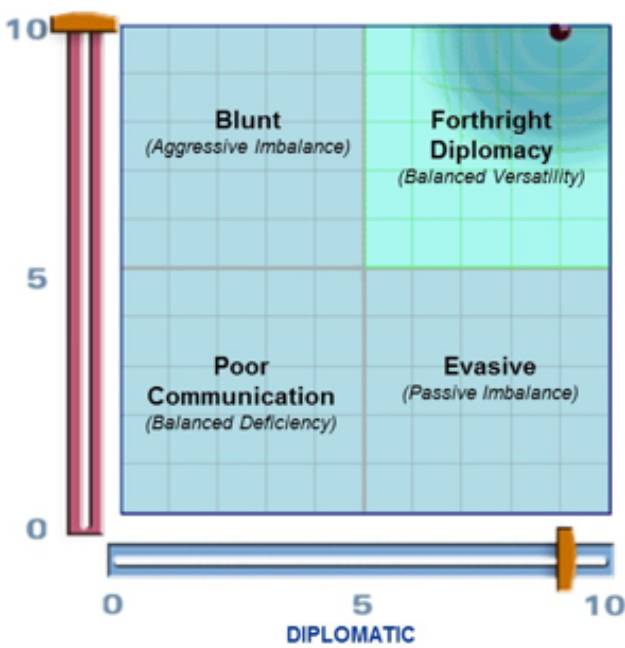
These definitions offer a variety of ways to develop resilience in leaders and organizations. In one article, author Megan Biro (2014) says that leaders too often set a direction, make a plan, and then assume rote execution is all that stands between them and success.

They certainly must know this mechanistic view of organizations is inaccurate, but then, when a plan fails to deliver on expectations and employees begin to lose confidence and focus, these leaders are too often stuck without options. They become defensive and tell subordinates, “There’s no more to be done,” and to “just get over it”; but this is insufficient and unacceptable, as the organization and its people will ultimately falter. Biro concludes, “We need resilient organizations with flexible, resourceful leaders to create the most productive work culture for people.”

We agree. Synonymous with resilient are words such as flexible, pliable, adaptable, and versatile. Sustained organization success is more readily achieved when leaders are capable of reading and adapting real-time to needs demanded by emerging circumstances. In fact, as we work with leaders and organizations of all shapes and sizes, we notice that those leaders who are decidedly successful exhibit behavioral elasticity. They understand there is no one-size-fits-all set of behaviors for any given circumstance; therefore, they have prepared themselves by developing behavioral versatility to give them the broadest range of behavioral options with which to respond.

Frequently, the behaviors leaders must demonstrate are polar opposites. This seems to stymie many of them because their reflex is to think only in binary terms: decisive or inclusive, strategic or operational, and pushes or supports; but within these paradoxes lies the resiliency challenge leaders must master.

In our Executive Development Intensives (EDI) practice, we have used the Harrison Assessment—a tool that gives insight into the degree of resiliency or behavioral elasticity demonstrated by leaders on twelve key behaviors. Here, the term paradox describes a situation where certain behavioral traits or competencies are required that appear to be contradictory but, in actuality, are not. According to Paradox Theory, a demonstrated behavioral trait can be either constructive or destructive. Leaders who embrace only one side of a paradox will consider the traits to be contradictory or opposite. However, one who has psychologically resolved a paradox will consider the pair of traits to be mutually compatible, and most importantly, such a person will exhibit a greater range of behaviors, resulting in a greater achievement, effectiveness, and sense of personal fulfillment.



Harrison defines each paradox as a relationship between two categories of traits: “Gentle” and “Dynamic.”

- When a leader’s range of behavior flexibly extends to both ends of the behavioral spectrum, they are said to have exceptional capability known as **Balanced Versatility**.
- When a leader’s range of behavior extends only to the Dynamic aspect of a paradox, it is called **Aggressive Imbalance**.
- When a leader’s range of behavior extends only to the Gentle aspect of a paradox, it is called **Passive Imbalance**. In either case of imbalance, leaders demonstrate some counter-productive tendencies and are subject to the associated consequences. They are less effective and experience less satisfaction.
- If a leader’s behavioral ability flexes to neither end of the behavioral spectrum, it is called **Balanced Deficiency**.

For example, Frank and Diplomatic is a pair of paradoxical traits that define communication effectiveness. Someone capable of being both frank and diplomatic is considered an effective communicator. Conversely, persons are count-

er-productive in their communications when they are strong in one trait and lacking in the other, or deficient in both.

The table shown below shows the 12 behavioral paradoxes from the Harrison research shown to have disproportionate impact on personal and organizational. While this table represents outputs from just one body of research, it serves to reinforce an important principle of leadership effectiveness: resiliency is a function of how a leader conceptualizes a given situation and, most importantly, how well that leader is prepared to respond with contextually appropriate actions

We won't write the 6501st book on resilience, but we do believe more than ever that organizations must be led by those who respond specifically and deftly to the needs of any given situation. Without this flexible competency, how can you bounce back and withstand the changes in our economies, industries, and organizations? So while many fields of study have an opinion on how to develop resilience, the one thing that we can all agree on is that if you don't have it you will be obsolete. If you have it, you will thrive.

Trait	Paradoxical Behavioral Pairs	Balanced Versatility	Aggressive Imbalance	Passive Imbalance	Balanced Deficiency
1. Expression of Opinion	Certain and Open/Reflective	Truth Exploring	Dogmatic	Inconclusive	Uncertain Disinterest
2. Decision Approach	Analytical and Intuitive	Logical Intuition	Laser Logical	Non-logical	Disinterested in Decisions
3. Strategic	Risking and Analyzes Pitfalls	Mindful Courage	Impulsive	Cautious	Cautious Inattention
4. Self-Perception	Self-acceptance and Self-critical	Healthy Self Esteem	Defensive	Self-critical	Internally Contradicted
5. Motivation	Self-motivated and Stress Mgmt	Poised Achievement	Stressed Achievement	Tranquil Inertia	Stressed Underachievement
6. Drive	Enforcing and Warmth/Empathy	Compassionate Reinforcing	Harsh	Permissive	Cool Permissiveness
7. Communication	Frank and Diplomatic	Forthright Diplomacy	Blunt	Evasive	Avoids Communication
8. Innovation	Persistent and Experimenting	Inventive	Stubborn Persistence	Non-finishing	Unresourceful
9. Delegation	Authoritative and Collaborative	Authoritative Collaboration	Authoritarian	Defers Decisions	Avoids Decisions
10. Power	Assertive and Helpful	Mutual Help	Dominating	Self-Sacrificing	Needs Avoidance
11. Organization	Organized and Flexible	Flexible Organizing	Rigidly Organized	Scattered	Rigidly Disorganized
12. Strategic Acumen	Optimistic and Analyzes Pitfalls	Realistic Optimism	Blindly Optimistic	Skeptical	Careless Pessimism



CREATING A CONFIDENT ORGANIZATION: SAFETY FIRST

By Ron Carucci

“It’s no secret how you get promoted in this division,” lamented an interviewee during a recent organization assessment.

“And how is that?” I replied, intentionally taking the bait.

“You are either a family friend of, a fellow alumni with, or a great suck-up to AI – the division head. It really is that simple, and everyone will tell you so.”

Before I could raise questions about whether anything had ever been done to address the injustices, the interviewee chimed in, “And don’t even suggest getting HR involved or trying to change it. There’s a long line of folks who ‘mysteriously disappeared’ (air quotes included) after attempting to bring about regime change.

It’s scary, really.”

Piles of organization research, psychological profiling, management books, and case studies reveal the timeless truth that organizational injustices like the one described above create fear among employees. People’s fears in the workplace usually fall into three types. People fear --

Being misunderstood - misinterpreted, motives or credibility questioned, treated unfairly;

Being excluded - from important decisions or advancement opportunities, ostracized for not conforming or speaking up;

Being invisible - not heard, ignored, passed over, un-

recognized/unappreciated for good work;

--and as many have highlighted in their research, it is those fears that cripple an employee's ability to perform. As we've been discussing organizations in which people can thrive, a sense of confidence and safety is clearly central.

The norms that erode confidence and safety and proliferate fear are all too common, and those norms emanate from both individual leaders and systemic processes. Leaders who show favoritism, punish honesty, publicly criticize, capriciously allocate resources, distance themselves from those they lead, and detach themselves from conflict habitually provoke fear around them; but its not just leaders. Formal organizational processes are guilty of instilling fear. HR systems like performance management and inconsistently (unjustly) administered hiring and compensation crush confidence. Budgeting processes corrupted by politics and excessive ambition incarcerate imagination. Governance processes that orchestrate illusions of inclusion and diversity slay our sense of safety.

A cynical person may ask, what organization ISN'T that way? And you're right. To change these things requires courage and will. It requires really believing that cowardice, uncertainty, defensiveness, and timidity are performance killers. No leader would readily say they wanted those things, but until you've seen a workplace of confident, idea-sharing, risk-taking, conflict-engaging, openly dissenting people, it's hard to know the difference.

Richard Sheridan, CEO at Menlo Innovations and author of the (great) book, *Joy, Inc*, deeply understands the difference, and has built a company that practices it. He says, "Freedom from fear requires feeling safe. If you feel safe, you run experiments. You stop asking


*TO CHANGE
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WILL*

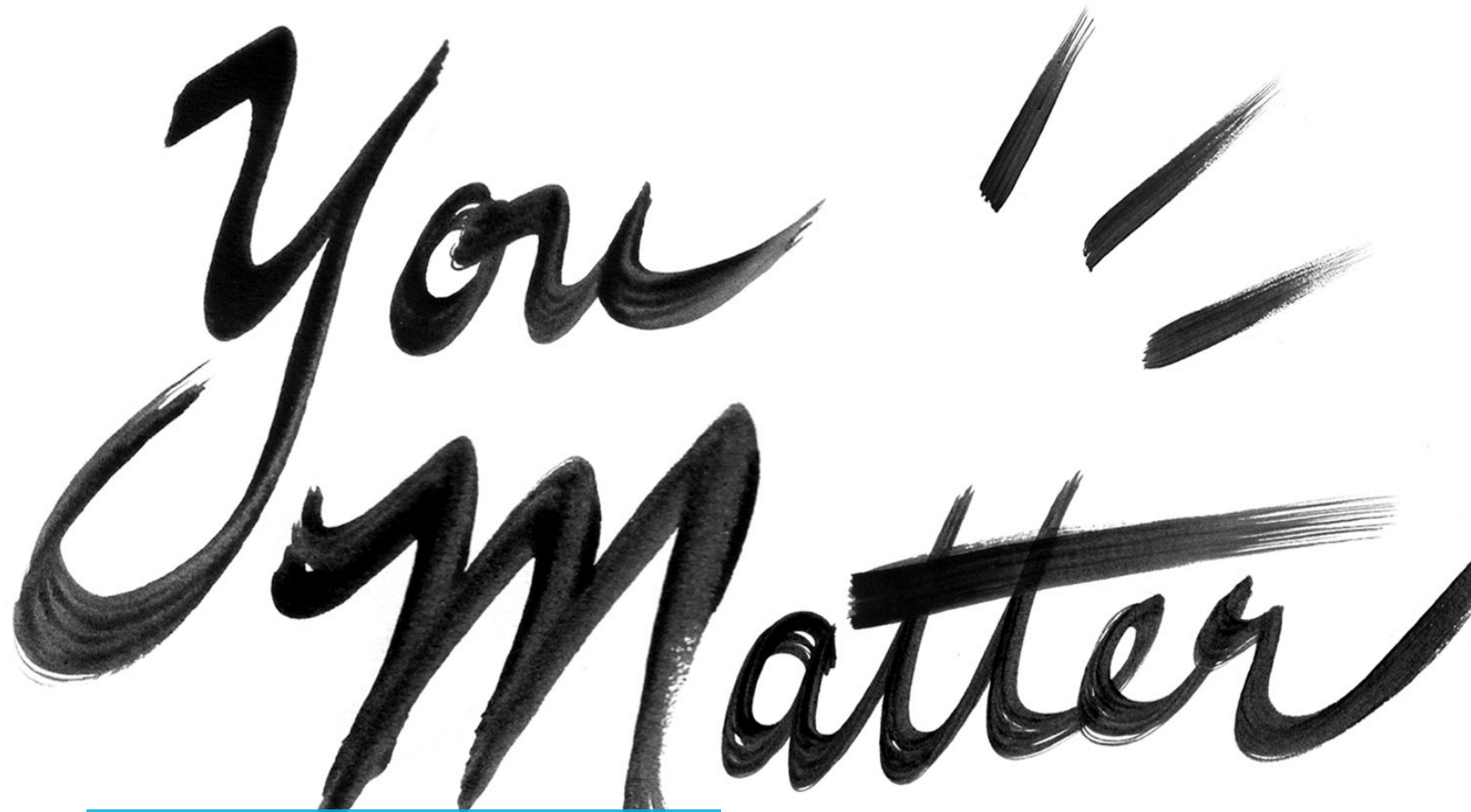
permission. You avoid long, mind numbing meetings. You create a new kind of culture in which you accept that mistakes (and setbacks) are inevitable. You learn that small, fast mistakes are preferable to the big, slow deadly mistakes you are making today.... I like to think of our approach at Menlo as a cultural HVAC system. We pump fear out of the room, filter out ambiguity, adjust the cultural temperature to the setting that makes the team comfortable, and then pump safety back in. When we pump fear out of the room and give the team permission to make mistakes, the team starts to feel safe...trust one another...own mistakes without fear of reprisal..."

Have you cultivated a cultural HVAC system? Are you actively dismantling organizational mechanisms that perpetrate injustices and intoxicate the organization with fear? Are you personally proliferating fear through behaviors you have long justified as inconsequential, having those you lead avoid you, manipulate you with filtered information, or "yes" you to curry favored nation status?

Are you thrilled with the results your organization or team is getting? If not, take a closer look to see how fear is strangling the unleashed potential and performance you desire. You won't have to look hard, just courageously, for the source of that fear. Maybe it's your leader. Maybe it's your HR or budget processes. Maybe it's in the mirror. Maybe it's all of the above.

If you want an organization that thrives, there's no way to get there but through the dismantling of whatever is provoking fear, killing safety and confidence. Don't rationalize not acting. Don't dismiss the severity of what you know to be true. Don't whine about how hard it will be to bring about change, or how much risk there is in speaking up. Don't perpetuate the problem by being part of it.

Instead, dig deep and start the journey toward a safe and confident community of people with whom you're proud to work, excited to learn, and delighted to realize great performance. 



Why It Matters that We Matter

By Ron Carucci

It is impossible to have a great life unless it is a meaningful life. And it is very difficult to have a meaningful life without meaningful work.

-Jim Collins

“I hope you go home today feeling like a useless, faceless cog in a giant wheel, questioning whether or not anything you did made a hill of beans difference to anyone....whatever your name is.”

No manager in their right mind would ever endorse making such a statement to those they lead....at least not with their words. And most of us wince reading it. But day in and day out, managers all over the world, and their organizations, broadcast this message to employees with their actions. And then scratch their heads in mystery when the quarterly earnings statements, sales forecasts, production reports, and customer satisfaction surveys all return declining trends.

Nope, turns out none of it's really a mystery. The correlation between whether or not people feel like they, and their work both matter, and the performance of the organization, is a pretty straight line. If people in your organization feel like crap, there's a good chance your results will too. This is a timeless truth we've known for decades. Nothing rocket science-y about it.

<i>HIGHLY ENGAGED %</i>	<i>ORGANIZATIONAL EXPERIENCE</i>	<i>DISENGAGED %</i>
92	<i>SOMEONE HAS TALKED ABOUT THEIR PROGRESS</i>	13
98	<i>THEY HAVE OPPORTUNITIES TO LEARN AND GROW</i>	13
99	<i>THEY ARE ABLE TO DO THEIR BEST EVERY DAY</i>	53
91	<i>THEIR OPINIONS MATTER AT WORK</i>	19
98	<i>THEY VIEW THEIR JOB AS IMPORTANT TO THE</i>	22

The differences are hardly subtle. And I can almost hear hardcore, hard driving leaders rolling their eyes, thinking “I’m not running a therapy practice here. I’m not going to spend my days kissing boo boos because someone’s self-esteem is a little rocky. I’ve got a company to run!” And to be fair, there are people who show up to the office with bottomless needs for approval and affirmation, and will do anything to get it. Those pathologies were there long before they were employed, so no amount of managerial love will suffice.

But we’re not talking about “those” people. We’re talking about the vast majority of people who come to work every day wanting to do a good job, make a difference, enjoy making a contribution, get paid fairly, and advance their career. All reasonable expectations. And if you provide them with experiences like those noted in the table above, chances are good they will advance your cause toward ever greater results.

But here’s the catch. There is actually nothing you can do as a leader to convince people they matter. Regardless of where their sense of self-worth was when they started working for you, you can’t directly determine if they believe they matter or not.

What you can do is to create the conditions under which people conclude for themselves that they matter. Knowing that I, and my work, are significant is something I must discover for myself. It’s a conclusion I draw. True, how I am treated by others, how my contributions are valued – or not – may strongly influence the conclusion I draw. But ultimately, my significance is mine to discover.

So, what are some of the conditions you can create that raise the odds those you lead will conclude that they, and their contributions, matter to you and the organization? From among the endless options, here are four major opportunities to help employees conclude, “I, and my work, matter here.”

1. Measure performance, honor contribution

No organizational process is more insufferable, more demeaning, and more anxiety-provoking than performance management systems. Aubrey Daniels, author of *Oops! 13 Management Practices That Waste Time and Money*, argues that performance appraisals are actually counter-productive. Daniels cites a study by the Society for Human Resource Management that found 90% of performance appraisals are painful and don’t work; and they produce an extremely low percentage of top performers. So let’s skip the excuses about alleged fairness, avoiding lawsuits, being consistent, and documenting shortfalls. They don’t work.

The good news is some organizations are waking up to the stupidity of this. A growing number of major U.S. companies, including Accenture, Adobe and Gap, have been saying goodbye to an annual rite of corporate life that both employees and managers love to hate: the traditional performance review. Now General Electric, long seen as Corporate America’s bellwether for management practices, is joining their ranks by piloting a big shift in the way it handles reviews. To date nearly 10 percent of Fortune 500 companies have done away with annual ratings.

Yes, we do need to measure progress in some meaningful way. And we should be freely having meaningful

conversations about performance, commitments, and holding one another to account for those commitments. Those should be ongoing conversations, not annual events. And to truly honor contribution, (see #2 and 3 below as well), be sure that you fully grasp what the contribution actually was and are acknowledging it broadly. Treat the contribution as an extension of the contributor and know that it is a personal expression of who they are. Too many leaders unintentionally separate the two, and in so doing, invalidate the sense of feeling proud of their accomplishments and confident in repeating them that comes from being honored for what you have done.

2. Ask for the story

Nothing expresses genuine gratitude to someone, and helps raise their sense of importance, than asking them, “Tell me how you did that?” Sadly, too many leaders confuse compliments for gratitude. So here is the difference between a compliment and gratitude. A compliment is a generic acknowledgement of something tangible – a completed task, a nice tie, a persuasive presentation, or a kind gesture. Gratitude goes beyond the compliment to the intangible why you are thankful for the completed task or the persuasive presentation, the personal effect the tangible act had on you, and your genuine curiosity about what it took for the tangible act to be accomplished. People are always glad to have their work acknowledged, to know that it matters in the abstract. But to know that it matters to you is something more. To know that you are interested in how they made their contribution – regardless of how large or small – by inquiring of them how they did it, signals a level of honor and gratitude that transcends a compliment. Ask them to tell you the story, and then luxuriate in the time it takes to truly L.I.S.T.E.N to it in a fascinated and captivated way.



3. Build meritocracy and transparency into rewards


As companies move away from the outmoded appraisal process, so too are they moving toward delinking scores and rankings from compensation. Instead, they are looking to broaden reward pools and what considerations are used in determining compensation. Deloitte experts suggest leaders “Consider revising compensation structures to include broader considerations, such as how the outside talent market would compensate an employee or how difficult the employee would be to replace. Analyze the extent to which the organization can take a broader approach to total rewards by offering growth opportunities to employees who have outperformed their peers.” Further, if rewards appear to be distributed capriciously, or the standards for earning more aren’t transparent, or worse, the “published” standards are consistently contradicted in practice, expect people to become entitled, self-interested, and disengaged.

4. Create strategic line of sight

I saw a recent blog post that declared “All work is created equal.” Too many organizations try and neutralize differences by perpetuating the illusion that “all work is equal.” Nothing could be further from the truth or more insulting to people in organizations. All workers are, and should be treated, equally. As human beings, everyone’s dignity should be protected and respected. But it is vital that we acknowledge that all work is not equal.

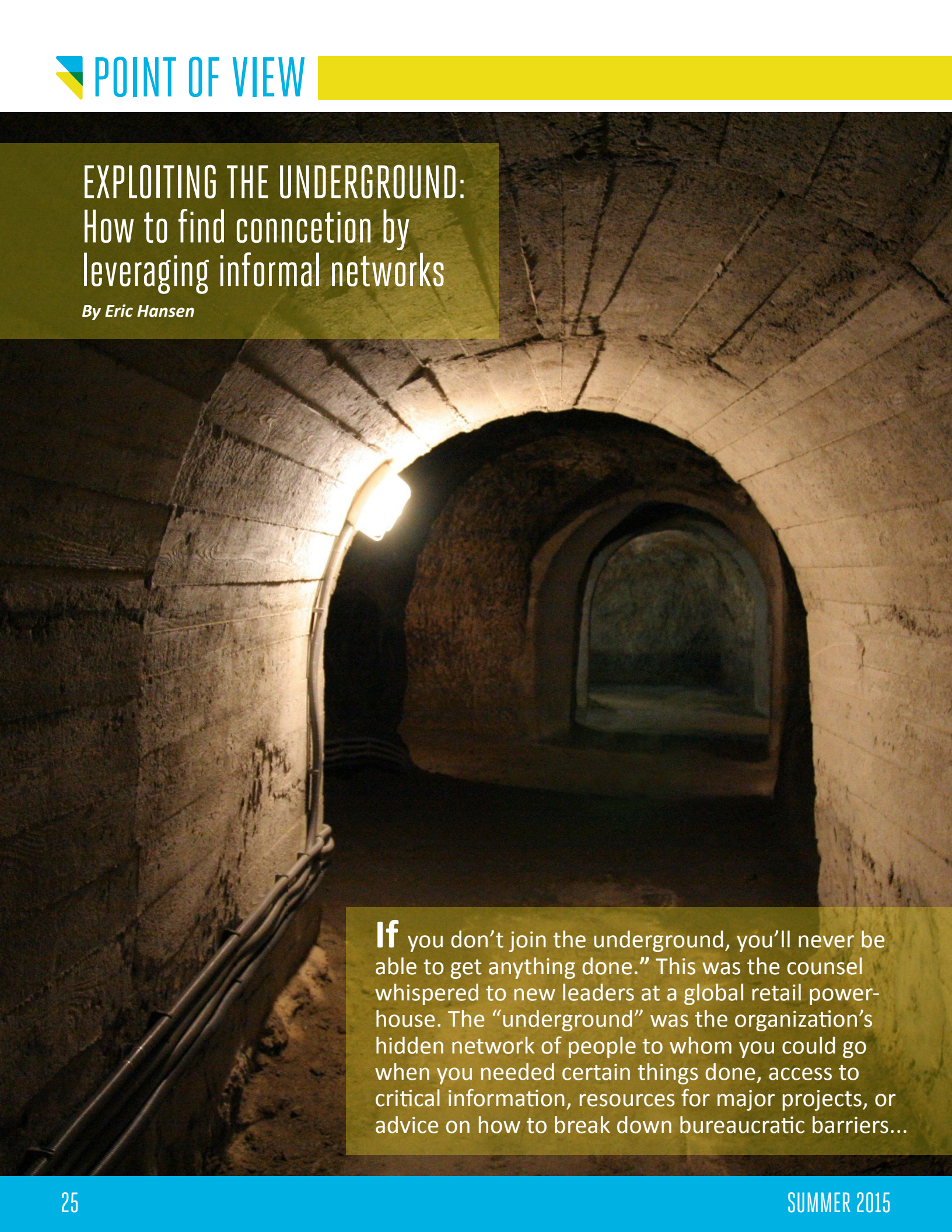
We usually help organizations categorize work into three buckets – competitive work – work that directly drives the organization’s differentiated work against competitors, competitive enabling – meaning work that is directly supportive of competitive work, and necessary – tasks that must be done to keep the organization running, but can be done in parity with anyone else. While all three of these types of work contribute to the organization’s success, holding them up as equal is silly. Everyone knows they’re not. Leaders should work to create clear line of sight between every type of work and its contribution to the organization’s overall success. (And if you can’t do that, you should question why you’re wasting money having that work done).

*ALL WORK IS NOT
EQUAL. HOLDING
THEM UP AS EQUAL
SILLY.*

People’s work lives are enriched greatly when they feel they are making progress on work that is meaningful — in other words, when they feel they are making a difference in the world. While no organization can, or should try to, contrive a sense of meaning for their employees, they can and should work hard to create the conditions in which people choose to conclude that they, and the work they do, matter significantly. 

EXPLOITING THE UNDERGROUND: How to find connection by leveraging informal networks

By Eric Hansen

A photograph of a dimly lit underground tunnel. The walls are made of rough-hewn stone or brick, with a prominent archway leading further into the tunnel. A bright light source, possibly a lamp, is visible on the left side of the archway, casting a strong glow. Several black cables are bundled together and run along the left wall of the tunnel.

If you don't join the underground, you'll never be able to get anything done." This was the counsel whispered to new leaders at a global retail powerhouse. The "underground" was the organization's hidden network of people to whom you could go when you needed certain things done, access to critical information, resources for major projects, or advice on how to break down bureaucratic barriers...

The term “underground” alludes to the French resistance against the Nazis and the Vichy regime during World War II. The underground cells were networks of men and women who were repositories and distributors of intelligence and maintainers of escape routes. The men and women of the underground hailed from a widely diverse set of socioeconomic, political, and religious backgrounds. What’s interesting about the metaphor is that it depicts a collection of vastly diverse people, who would normally have no reason to interact, united in a common organization engaged in high-risk activities for a greater cause beyond their immediate benefit.

All organizations have some form of “underground.” Much like the French Resistance, they create and depend on unlikely alliances that advance the organization in ways that the formal organizational processes are believed to be unable to accomplish. The relationships formed in an organization’s underground usually span many years and are characterized by crucible experiences—defining moments in the organization’s history of make-or-break success—and, when observed, look much more like lifelong friendships than those of routine business colleagues. They eat lunch together, help solve one another’s problems, exchange advice on how to work with difficult people, and genuinely enjoy being with one another. They take deep pride in the organization and its history, and while they will be the first to criticize the organization’s idiosyncrasies, they will fiercely defend it when anybody else throws stones. When it comes to getting things done, they are able to collaborate in ways akin to an Olympic rowing team.

The major limitation of these networks, of course, is the narrow, almost religious, exclusivity with which they function that prevents the majority of the organization from participating in and benefitting from them. We’ve heard many organizations proudly describe themselves as “relationship based.” Usually, we don’t have to look too deeply before discovering that nothing could be further from the truth. What we usually dis-

cover is that they are confusing a superficial sense of collegiality, or “politeness,” for genuine relationships. By contrast, this natural array of organization networks is usually where you find the time-tested, genuine relationships of substance and depth.

In the case of the retail organization mentioned previously, most of the leaders appointed from outside floundered, sometimes for years, because their access to the underground was limited. Invitation into the underground was based on loyal tenure, stylistic fit with existing members (looking and sounding like them), and often some kind of organizational hazing ritual. To be sure, the underground had its downsides, some of them ugly.

So what do you do if your company has a sophisticated and exclusive underground?

The SVP of Operations at this retailer expected to drive a great deal of growth and was planning to import new talent to do so. She asked us to help her “break the back of the underground” so new leaders would have a level playing field on which to contribute and succeed. Our response surprised her. “Why on earth would you want to destroy such an amazing asset? Why not exploit it instead?” we asked. Our answer surprised her.

Our point was that the underground was valuable in getting things done, and trying to dismantle an iconic, powerful, and yet invisible pillar of the culture was futile. Why not try to harness it instead, and broaden access to it for everyone? It would require drafting several of its informal leaders, enlisting them into the cause of the organization’s future, and inspiring them to use their “informal” power to do what the underground had always done—advance the cause of the organization. In essence, we weren’t going to dismantle it. We were going to multiply it.

So how do you do that? Three quick thoughts on how to leverage the underground for greater connection among everyone in your organization:

*DON'T DISCOURAGE
YOUR ORGANIZATION'S
UNDERGROUND.
FEATURE IT!*

Work to open access to the network for others, while still honoring the relationships formed within the network itself. Exploiting the natural fabric of organizational networks is what enables people to have broad-reaching and deeply meaningful connections with bosses, peers, and direct reports over the life of their careers. So don't discourage your organization's underground, feature it. When it takes on unhealthy forms, like "good ol' boys networks," "old timers," "the women's club," "the class of '99," or "the breakfast club" (all names of organizational networks we've actually seen), where cult-like exclusivity inhibits broad participation, address that. Most organizations have their cast of usual suspects to whom all of the prime assignments are given. That, too, is a form of underground, whose access should be broadened to uncover hidden talent that might otherwise remain undiscovered. So don't break the back of the underground, invite others to join it.

Resist the temptation to formalize such networks with charters, budgets, or leadership councils, or you will certainly kill them. The retailer mentioned here wanted to do this as a way to gain control over the underground, but quickly realized how destructive that would be. As soon as a relationship is institutionalized and made official, behavior tends to become rigid, as opposed to organic and reactive. You can identify the informal channels of influence without having to codify them.

Celebrate the organic nature of the underground. To increase opportunities for connection, celebrate the underground's genuine ability to create great relationships. If you want to enable great connectivity within your organization, cultivate the power of the many informal organizational networks already in place, and encourage widespread participation in them. 