

LEADERSHIP Excellence

SEPTEMBER 2006

THE MAGAZINE OF LEADERSHIP DEVELOPMENT, MANAGERIAL EFFECTIVENESS, AND ORGANIZATIONAL PRODUCTIVITY

Creative Leaders

Inspire Great Companies

Trigger High Performance

Tipping-Point Leadership

10 Rules of
**Sam
Walton**

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One Minute Manager



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by Bruce LaRue

THE GREATEST CHALLENGE centers on how to attract and retain top talent. The shift to a knowledge-based economy, the retirement of the baby boom generation, and the shrinking of the skilled labor market will challenge our assumptions about management and leadership. Nowhere will this be evident in how we lead change.

I find that traditional top-down approaches to change eventually hit a wall. Once this limit is reached, any effort to continue to force the change is met with resistance from the rank and file. In fact, in knowledge work, top-down approaches to change tend to backfire altogether, leaving us vulnerable to losing the core of our competitive advantage—our knowledge workers. We are left with a choice: do we continue with more of the same, or take a different tack altogether?

The Strategy Triangle

In working with Craig McCaw and the wireless revolution, my colleague Kerry Larson used a simple model. I call it the *Strategy Triangle*. At the top of the triangle is *Purpose* and at the bottom corners are *People* and *Processes*. The top of the triangle focuses on *what* while the bottom focuses on *how* change takes place.

The first responsibility of the leader is to create a clear sense of purpose and direction, while allowing those closest to the work to determine how best to accomplish strategic objectives.

Once the leader has clarified the purpose (strategic intent), he needs to involve critical stakeholders and those closest to the work in how change takes place. The leader asks his team of specialized knowledge workers, "How can we best organize to achieve our purpose?" The role of the leader at this point is one of guide or mentor—one who provides essential resources, removes barriers to progress and ensures that the team remains on track and achieves essential targets.

If knowledge workers lack a clear sense of our strategic intent, they will

invariably make decisions that make perfect sense at their level, but may run counter to the overall purpose.

As General Robert Ivany, past president of the Army War College, says, "Tactical decisions have strategic consequences." This statement turns on its head the famous need-to-know dictum. The new philosophy focuses on a clear statement of the commander's intent while leaving maximum latitude to front-line soldiers as to how best to accomplish the mission.

Purpose. Purpose refers to strategic direction and intent. In contrast to



strategic planning, strategic intent paints a compelling picture of the results we want to achieve and why these intended results are important—without specifying in detail how we will accomplish them. In short, the leader must focus on the *what* and *why* of change, while leaving it up to those closest to the work to determine *how* best to accomplish the mission.

As Peter Drucker wrote, "The leader of the past knew how to tell. The leader of the future will know how to ask." He was describing the new world of knowledge workers. Who are they? As Marshall Goldsmith writes, "They are people who know more about what they are doing than their managers do! It is hard for you to tell people what to do and how to do it when they already know more than you do."

People and processes. Once knowledge workers are clear about the Purpose, including the *what* and *why* of change, then the focus shifts to asking them, "How can we best organize to accomplish our mission?" This requires the leader to step back and workers to step up. At this point, you need a cross-functional group of stakeholders from key functional groups, vendors, and contractors in the room so that all of

these groups are on the same page and moving in the same direction. We call these groups action-learning teams (ALTs) because, rather than handing them a blueprint of what to do and how to do it, these teams have to build the bridge while they walk on it.

Seven Essential Elements

ALTs include seven elements:

1. Team members are the experts.

Remind your team that they have the knowledge and expertise needed to succeed and that you, the leader, can't be the mastermind of change.

2. Self-organization. Let your team know that you expect them to organize themselves, coordinate their activities, and stay focused on their common purpose. The quality of their collaboration will determine the quality of outcomes achieved.

3. Resources and barriers. Have your team consider what barriers they anticipate and what resources they need to accomplish their mission.

4. Alternatives, not problems. When people encounter difficulties, ask them to come to you with alternatives, not problems. This empowers them while holding them accountable for overcoming obstacles and achieving results.

5. Sustain the momentum. I suggest holding ALT meetings routinely, especially at the start of a change process, to ensure that people stay focused on the big picture, understand this new way of operating, and proactively anticipate and deal with obstacles.

6. Avoid functional myopia. The greatest efficiency gains occur between, not within, functional groups. Span functional boundaries to integrate core processes and align key goals.

7. Connect the dots. Knowledge workers need to answer two questions: What is our mission? and how do my activities support this mission?

When knowledge workers understand how their activities support a clear and compelling mission, they are more likely to be engaged, willing to endure hardship, and make decisions that support objectives. Knowledge workers must be involved in how change takes place and be rewarded and compensated for the final outcome.

My own work with organizations reveals the truth of General Ivany's words: "While we can command compliance, commitment is voluntary." **LE**

Bruce LaRue is a leadership consultant and co-author of Leading Organizations from the Inside Out (Wiley). Call 253-576-7100 or email bruce@brucelarue.com.

ACTION: Create action teams.