



Head & Heart is a collection of ideas, resources and frameworks to support your personal and professional development in leading yourself, others and organizations with head and heart.

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From the Editor

Dear Readers,

While outside forces may impact us and alter the path of our businesses, ultimately each of us has the choice of how we want to perceive, interpret and act in any given situation.

As leadership consultants we've felt the fire and learned with and from you during the economic storm. With our Head & Heart we humbly share our rich harvest of lessons from the downturn.

An 80 year old mentor and friend shared with me last week that making the most out of life is not about looking back or looking forward - it's living now and being grateful and attentive in the moment that matters most.

Make the most out of your moment.

Dan Norenberg

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Thought Leadership

Leader Lessons From the Downturn

"The years teach much that the days never know."

Emerson

I've personally learned more from my mistakes than from my successes and the downturn experience has strongly influenced the way I interact, coach, and support professionals to reach their aspired goals.

How are you leveraging your lessons from the downturn? It's vital as a learning leader to step back, particularly in challenging times, and reflect on our experiences from the past in order to learn for the future. How did I and others respond, what were my most significant results, and what were my most important take-aways that I vow never to forget?

Here are four leader lessons that I took out of this past meltdown, either from my own personal experience or from the hundreds of leaders I've had the chance to roll up my sleeves and work with over the past two challenging years.

1# - Reach out and do less. If you were really successful in the past 24 months, I'll bet you had razor sharp clarity (and focus) regarding your priorities. You also had a good balance in your reflecting / acting ratio. This means you had the discipline to think and reflect, and the courage to say no to those things outside your top five priorities. You encouraged your people to do the same.

2# - Innovation and creativity were wrapped around your priorities. While many leaders thought they couldn't afford to be innovative in the downturn, those on top knew they couldn't afford not to innovate and be creative.

3# - You recognized that opportunities look different in the downturn. You were able to recognize and capitalize on things that you wouldn't have noticed or reacted to in the past. This paid big dividends for you and your teams. Those that were waiting for the old cheese to show up, as it always did, are still waiting.

4# - Successful leaders focused on the why, then the what, and then the how. Those struggling souls that started with the what, then the how and maybe got around to the why, well, they are still waiting for the sun to shine.

Take these four points into your next board meeting, client exchange, project update or telco, and use it to stimulate lessons learned that you can transform into best practices. And remember, you don't have to wait until the next downturn to capitalize on your experiences!

Dan Norenberg

Leading Self

You Have to be Seen to be Valued

Strategic ways to make your contribution count in the downturn.

Imagine you were out sailing with a handful of people, and you were unexpectedly hit by a storm, the like none of you have ever seen, not even the skipper or his mate. Some are beginning to panic, while others have frozen leaving strategic sails thrashing in the wind. How would you react?

From salary freezes to the suspension of standard benefits, companies



have made some major cutbacks which have significantly affected employees during the recent economic downturn. Some have turned to voluntary unpaid leave, while outside contractors have replaced full-time staff in others. New corporate strategies, postponed projects, or the loss of a valuable benefit can lead to feelings of job insecurity or even worse.

Before exploring a few strategies for individual contributors to step up and secure a loose sail, let's first look at what challenges companies are facing on the same choppy seas.

In addition to the ongoing task of finding new costs to cut, companies also have to carefully manage their talent and the long-term implications an unpopular change could have on current and new talent. According to the January 8th issue of the Economist, "as the economy begins to recover, com-

panies are trying harder to nurture raw talent... and desperate to find high-flyers who can cope with rapid growth and fast-changing environments."

In times of economic uncertainty, you can be sure that companies are closely assessing how well their employees' goals are aligned with their own. If you recognize that true job security depends on the success of your employer, the strategic question becomes: how can you take an active role in driving that success?

1. Be prepared. Make sure your own goals and priorities are in fact aligned with your organization's strategies. All companies give routine "reviews" or "assessments" to their employees. Be prepared to communicate exactly how your contributions are contributing to the bigger picture.

2. Be pro-active. As some firms expect their employees to share "leader plans" with their superiors, don't wait to be asked for yours. If an unmanned steering wheel were spinning out of control, would you wait to be asked to grab it? Create your own plan and look for an optimal moment to present it to the right superior.

3. Be open. If your company values change and flexibility, look for ways to acquire new skills or learn a new job. Be open to a change or even a sacrifice which could serve you well down the road, i.e. give now to get later.

In crisis there is opportunity. The taller you stand, the more likely it is that you'll be looked to to help steer the boat into calmer waters.

Tim Nash

Point of View

(Re)Viewing the Crisis

In the USA, the Financial Crisis Commission recently reported on the causes of the financial crisis. The hope was that by clarifying the causes of the financial crisis, lessons could be learned for the future. Instead, the politicians battled each other, split along party lines and produced three different reports.

So what have global business leaders learnt from the crisis? To get an idea, here is a straw poll of four leaders (from four countries) who I worked with recently.

One Chinese manager said that the crisis provided an opportunity. At the start of 2009, Chinese business started to pull talented people in from Wall Street, offering them the chance to work in a growing market.

Meanwhile, Singapore was not too deeply affected by the crisis. The biggest lesson learned: get the fundamentals right and encourage people to save. (Singapore's strong foreign reserves helped it avoid the crisis relatively unscathed).

In Germany, a shorter working week and less compensation was a common reaction to the crisis. This "we're all in it together" attitude seems to have boosted management-employee relations in many companies.

In the US, there is the cold realization that "nothing is too big to fail." Even the once mighty insurer, AIG, would have collapsed without US Government funding.

And do they have one common point of view? All four leaders share the concern that nothing has been learned – which is itself quite shocking.

Steven Hunt

Word Watch**Way-gee**

Downturn, recession, fall, collapse and crash. All these words describe what organizations have experienced over the last few years. The semantics of each word may differ, but the connotation is largely the same.

Lessons from the downturn is the central theme of this issue of Head & Heart. And Chinese (Mandarin) offers a phrase which fits neatly into our central theme: way-gee.

危機

Way-gee is a combination of two characters. While it is often hard to boil down the exact meaning of characters into a single word in English, it is interesting when we attempt this with way-gee. In this context, way basically means danger or peril; gee represents chance or opportunity. So there is a sense that in a dangerous situation there is always a chance, an opportunity to be seized and taken advantage of.

And that's, arguably, where many leaders find themselves today. The downturn has been tough for many businesses and leaders. Now that we are through the worst, as the economy starts to pick up, the temptation is to forget what happened, to push on, to make money (again) while the sun shines. There is also a unique moment – a chance – to reflect on what we have learnt from the downturn in order to become stronger, better leaders.

Steven Hunt

Leading Others**Rising to the Occasion**

"Adversity introduces us to ourselves."

John F. McDonnell, CEO, The Boeing Company

There is little doubt in my mind that 2010 was a turbulent time. It was a year of turmoil and uncertainty; a year filled with doubt and anxiety. And it was a year filled with terrific leadership. I have asked myself the question "what did I see successful leaders do in 2010 to help themselves and their team not only survive the turmoil, but to thrive?" While I saw and heard a lot of powerful leadership stories in 2010, there are four themes I noticed more than any others that I would like to share with you.

Firstly, leaders who thrived in 2010 **faced reality and the adversity they were confronting head on**. A colleague recently reminded me that Martin Luther King was arrested 30 times while leading the civil rights movement. His is but one example of a leader who understood that turbulent times required more leadership, not less. No doubt, many of you recognized the same and had the courage to step up and face reality head on and take your followers with you.

Secondly, I noticed many leaders taking the turbulent times as an opportunity to **refocus on what is truly important**. When times are good, it is easy to focus attention and efforts on things that are nice to have, possibly highly creative, but not core-business essential. I heard from many leaders that they used the turbulent times as an opportunity for questioning and reflecting with their teams about what activities

truly add value to the core business and cleaning out activities that did not.

This refocusing of efforts leads me to the third trend I noticed: many leaders saw the turbulent times as an **opportunity to drive change**. While none of them made the argument that "business as usual" had got them into trouble, they could easily show that without change, things would not get better. Many leaders I spoke to were amazed at the appetite for change and the energy with which their teams executed on it. I know of many cases in which changes implemented during the turbulent times are now bearing fruit.

Finally, many leaders used turbulent times as an **opportunity to engage with their people and show presence**. They realized it was important to their teams that they simply be there to listen, encourage, and begin the search together for the way out.

I am thankful to the fine leaders I worked with 2010 and have shared here but a few examples of strong leadership I saw in turbulent times. What great things will you create as a leader in 2011?

Michael Couch



Leading Organizations

The Power of Instinct & Vision

"If your business isn't looking ahead, you're already behind."

Rick Lash

Of course we have to look forwards, but how? Already lessons from the downturn are now quite well documented emphasizing the need to find the right balance between "cutting" and "growing." But how does a leader look ahead and decide on the bal-



ance? How do they see through all the options, politics, rationalizations and emotions to make the critical decision? Working with leaders during the downturn has highlighted indelibly for me two remarkable truths about effective leadership in action – the power of instinct and vision.

The power of instinct involves a Managing Director running a business that had experienced consistent growth for five years. The leadership was planning for more growth at the start of 2009. The MD supported the plan, but his more circumspect voice was not heard in the noise of the "pursuit of more."

At a coaching session, we reviewed the reality of the business plan. He

knew he had not given voice to his instinct. It was saying that the year ahead was not going to be about growth at all, but would demand a major resizing of the business. The first attempt to translate this into practice took the number of business units from five to four, further challenge and exploration reduced the number to three and the full expression of his instinct said "take it down to two!" How right this decision proved to be.

The power of vision involves a business that had experienced a tough time in the downturn and was beginning to emerge and identify opportunity. The leadership team developed strategic initiatives. At a coaching session, the MD felt that there was something missing. The actual words he used were "Being strong on implementation with strategic initiatives is not a sustainable strategy. We need direction."

By direction, he meant a vision to bring a motivating organizational purpose to the separate initiatives. With a new vision, he felt energized to inspire his company on the road to growth. He felt that "his company was back!"

By voicing instincts and generating vision, leaders really can look ahead.

Ed Norman

Food for Thought

"The only safe ship in a storm is leadership."

*Faye Wattleton,
Humanist of the Year 1986*

Leadership Facts and Figures

Germany's recent economic performance stands out among rich economies. Last year its GDP grew by 3.6%, the fastest rate since the country was reunified in 1990. America managed 2.9%. Growth in the rest of the euro zone probably fell short of 1%.

Exports have been Germany's main engine: they jumped by 21.7% in the year to November. In the first ten months of 2010 sales to China were already 17% higher than in the whole of 2009 and 46% higher than in 2007. No other big, rich economy has seen its exports to China grow so quickly in the past decade.

The Economist, February 2011

Challenging Situations?

What challenging situation would you like us to deal with in a future issue of Head & Heart? Get our perspective.

Send us an e-mail at:
headandheart@nvision-learning.com

We will of course ensure that your challenging situation remains anonymous.