

Leadership Shift

PARADOXICAL WISDOM FOR TRANSFORMATIONAL LEADERS

by Danita Bye

In addition to business acumen and people skills, leaders need to shift styles, perspectives and approaches as they address a variety of challenges. Understanding when and how to switch is further complicated by management axioms that have legendary acceptance, yet may have outlived their benefits. Scrutinizing seven of the most common, unchallenged, so-called common sense adages, I identified paradoxes for helping leaders make shifts that enable them to transform their organizations.

Leadership Paradox #1: Instill Hopeful Realism

The most optimistic leaders are also the most realistic.

Today manufacturing companies are challenged to do more with fewer resources—revenue growth is difficult. Leaders no longer can ignore the gravity of the situation with unfounded cheerleading. An effective leader creates an environment of hopeful realism by realistically assessing the situation, developing creative solutions to take market share and sharing their vision.

I recently worked with a manufacturing company that was in turmoil. Sales had dropped 35 percent over the past 2 years. The original owners had transitioned the reins of the company to a leadership team that didn't communicate vision, strategy or plans for regaining business. As a result, floundering salespeople demonstrated their hopelessness by abandoning their account planning and competitive strategy worksheets. Insecurity about the future had many considering leaving.

The owners brought in a strong sales leader who communicated a vision and plan for new products and services to make them a leader in a niche within their industry. This transformed the sales force's despair into a sense of realistic optimism about the future. With the information they needed to develop their own account strategies for retaking market share, the

salespeople were equipped to deal with the facts and reverse the decline.

Moral: Develop realistic optimism by addressing employees' legitimate concerns and share a revised vision and strategies.

Leadership Paradox #2: Management in Synergy with Leadership

Knowing where to go requires knowing where you are.

One of my clients wants to double sales over the next 7 years. While their operational processes in manufacturing and customer service are impressively strong, they lack a clear, compelling vision for their employees to rally around.

Coordinating vision with minute-to-minute management and getting managers to act like leaders is more difficult than you might think. In fact, Marcus Buckingham of Gallup, who has surveyed leaders for 25 years, concluded that not all managers are leaders. To determine which of your managers should fill empty leadership boots, you need to understand the individual strengths of each of your employees.

There are many qualities that characterize a good leader. However, there are some critical ones that, when missing, have a disastrous effect. For instance, lack of openness to new ideas limits the organization's ability to move forward. Lack of accountability undermines a culture in which people are responsible for doing what they agree to do. This lack of follow through overflows into client interaction as well. The inability to make business decisions often is tied to being overly analytical. Delays lead to lost business and missed growth opportunities.

Moral: Management without leadership limits growth.

Leadership Paradox #3: Cultivate Disciplined Creativity

Coloring outside the lines requires lines in the first place.

Business lacking discipline and organizational structure is doomed

to unrepeatable successes and regular failures. Like the eight-note scale that frames a musical score, there needs to be a structural framework for creativity in business to yield benefits.

When I first arrived at the office of a supplier for high-end structural panels, it looked like the home of a mad composer—cluttered and disorganized. The sales organization was in the same shape. We applied the same precision of the company's proprietary production to its sales development, proposal and negotiation processes.

We established the following framework for developing creative sales solutions that generated success, and added accountability and alignment between personal and professional goals.

- ▶ Sales Planning: Quarterly sales business plans; major account strategy planning; competitive analysis.
- ▶ Sales Process: Pre-call planning; post-call debriefing; common understanding of the ideal sales conversation.
- ▶ Activity and Behavior Metrics: Measure performance against professional and personal goals.
- ▶ Meeting Rhythm Process: Updates about expectations.

Moral: Harness creativity to meet goals. PM

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Leadership Paradox #4: Foster Collective Independence

The strongest leaders are also the most interdependent.

How does this interdependence translate into business leadership? Leaders who encourage everyone at all levels to share their opinions and observations forge an interlocking network that strengthens their organization.

When a hearing aid manufacturer I worked with faced increasingly difficult competition, we shifted from a highly independent, silo culture to a team culture. Through this change, we intentionally tapped into insights throughout the entire organization, which ultimately turned the business around.

Encouraging input from all functions proved to be a worthwhile strategy that resulted in many improvements across the board. Manufacturing improved quality, streamlined processes, reduced costs and shortened turnaround time. Sales formalized a process for soliciting customer input on products and services they would be willing to pay for. Engineering shifted its focus from bells and whistles to meeting real customer needs.

Moral: No leader is an island.

Leadership Paradox #5: Inspire Servant Leadership.

Leadership is servanthood's highest expression.

Leadership is measured in terms of service. That's why we often speak of great political and military leaders who serve their countries. One of my favorite books on Servant Leadership is *Seven Pillars of Servant Leadership* by James W. Sipe and Don M. Frick. It is a practical guide on how to operationalize servant leadership so that it's not just "soft management."

When I asked a business owner why he was hesitant to set clear performance expectations, he said that he was trying to implement servant leadership and didn't want to pressure his sales people. Of course, we had a conversation about the "tough side" of servant leadership. Through that conversation, he realized

that setting clear performance standards and holding people accountable to those expectations is really what both "serving" and "leading" are about. The best interests of the company are not served by a lack of performance expectations.

Moral: A servant leader is dedicated to the best interests of the company and its people.

Leadership Paradox #6: Nurture a Focus-Forward Culture

The smoke of the present shouldn't blind you to the possibilities of the future.

"Keep your eye on the rolling ball."

While focus and perseverance are typically lauded, if used improperly or at the wrong time, they can undermine your business. When I started working with a company that wanted to kick-start its stalled growth, I found that there were two pockets of people who were sabotaging the company's growth initiatives. Some were too focused on the glory-days of the past, and others were too focused on today's economic woes.

We started a cultural revolution that began with asking questions:

- ▶ Since we can't change the culture, what can we change?
- ▶ What might I do get the desired results?
- ▶ What objectives do we want to meet and exceed?
- ▶ What measurements will we use to measure our success?
- ▶ What resources might we access that will help move us forward?
- ▶ How are we going to celebrate success when we achieve our objectives?

The mere exercise of developing these questions began to unlock creativity, energy, and innovation. During this cultural revolution, a renewed energy sprouted and flourished. Functional silos began to trust one another, as each was held accountable to established metrics. The freedom to brainstorm about pathways to success spawned creative solutions to help the company move forward.

Moral: Times are always changing; look ahead.

Leadership Paradox #7: Capitalize on the Energy of Adversity *Big problems are the stepping-stones to bigger successes.*

In the '90s, I invested in a hearing aid manufacturing company that was growing 50 percent each year. When a negative investigative story by ABC's Nightline halted our sales, we were confronted with a 20 percent drop in sales. Exacerbating this revenue slump, which affected the entire hearing aid industry, our big competitors cut their prices, effectively shutting us out of the market.

We refused to capitulate and dug our heels in. We took six steps that helped us regain lost sales and grow our business by 30 percent in less than a year: asked why and how our competitors were successful; analyzed our market segments; analyzed non-customers; examined current customers; obtained sales team's input; boiled it all down to a single page.

From this condensed document, we developed a strategy to become hyper focused on our target client. It required us to whittle our sales list from 14,000 to fewer than 4,000 and customize our message, service and offerings. Essentially, we created a targeted sales approach that enabled us to work smarter and improve bottom line results.

Moral: : Necessity is the mother of invention.

As you implement these pearls of paradoxical wisdom, be vigilant about divesting your company of other outdated, commonly accepted truths. Refresh them to achieve uncommon success. PM



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