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THE MOBIUS STRIP

Fall 2013

"Few books speak the language of business and the language of personal growth as skillfully as this pioneering book does."

—Douglas Stone, coauthor of *Difficult Conversations*

WINNING FROM WITHIN

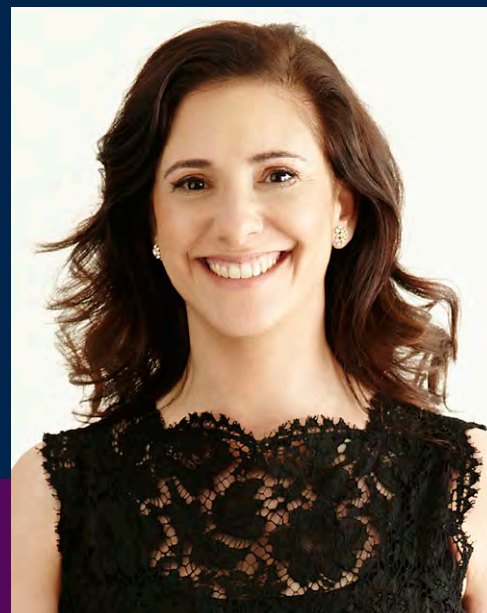
A BREAKTHROUGH METHOD FOR
LEADING, LIVING, AND LASTING CHANGE

ERICA ARIEL FOX

FOREWORD BY WILLIAM L. URY, COAUTHOR OF *GETTING TO YES*

ANNOUNCING
WINNING
FROM
WITHIN

by Erica Ariel Fox





Dear friends:

When I first founded Mobius part of the purpose of building the organization was to be well placed to share my sister Erica Ariel Fox's body of unique, deep and transformational leadership work, *Winning From Within*.™ At the time, in 2005, we knew that increasingly companies were going to face a need to mature and develop the character, integrity and inspiration of their senior leaders even as their entire workforces would need to manage an ever faster pace of change and increasing stress and uncertainty. The skills training many firms had been offering to date would not address what CCL has coined the "vertical development needs" of Fortune 500 companies senior teams. Something more profound, that touched hearts and minds, and enabled people to address their intrapersonal and interpersonal blind spots was needed.

Over the last fifteen years Erica has been working as a top tier team interventionist and coach to senior leaders in both the private and the public sector. Over and over she has seen people demonstrate what she calls a "performance gap" between their intrinsic skills and the action they take in a business critical moment. In other words under high stress or just emotional strain and conflict many executives are unable to produce the very behavior they wish to deploy when it matters most. They know what to say, they know what to do, but they just can't say or do it at that moment.

Erica began to study what was at work in the performance gap and how to help people close the distance between their intrinsic skills and the move they actually make in a business. She discovered that systematically people were shutting certain leadership capacities off by ignoring important aspects of who they are. She created a typology of our "inner negotiators" contending the most, that were underneath this ongoing sub-optimized performance and results, were the negotiations we have with ourselves. The four inner negotiators, something akin to your own inner C-suite, are the Lover, the Thinker, the Dreamer and the Warrior. Each has its own critical function to play and needs to be deployed in the appropriate contexts. Yet most of us are underdeveloped in one of these critical leadership domains: problem solving and analysis; relationship building and interpersonal skills; execution and boundary making and innovating and creating a meaningful vision.

Now, on September 24th, Harper Business will publish her seminal research capturing all of her best practice advice for how to cultivate all of the Big Four. This book will help readers build their leadership range and close their performance gap. This issue of the *Mobius Strip* is largely dedicated to Erica and her breakthrough method for leading and living and lasting change. Enclosed you'll find an excerpt from the book, sample blogs from her contributions as a LinkedIn Influencer and on HBR and Forbes websites, as well as links to her new *Winning From Within*™ website. The website has lots of wonderful "free stuff" including educational videos on each of the Big Four, a questionnaire to help you place your own personal Big Four Profile and discussion guides you can use for hosting a *Winning From Within*™ book discussion with your team or at home with your book club.

This issue of the
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Starting now, Mobius has three new products related to the publication of Erica's book. We will be offering two day *Winning From Within*[™] training trainings for middle managers (Fundamentals) and for senior teams (Executive) and launching an application only four month field and forum multi-client executive program called Beyond High Performance. Much more on each of these offerings including the application for the BHP program can be found on the website at www.winningfromwithin.com.

We are also pleased to continue our series of special issues on topics related to Transformational Leadership. In this issue we focus on the topic of Innovation and include wonderful articles by leading specialists in this area including our own transformational faculty member Michael Gelb as well as Tom Malone, Professor of Management at the MIT Sloan School of Management, Innovation pioneer Clay Christiansen, our friend and scholar Jatin Desai, Mobius Innovation expert Simone Ahuja and a new adaptation of the book by Amy Edmondson, Mobius Senior Expert, *Teaming To Innovate*, that focuses specifically on how high performing teams can innovate together. Once again we also feature a broad swath of rich content on transformational leadership topics.

We have an additional section with pioneering work from two of our transformational faculty on the nature of emotions. The first is from Mobius senior consultants Charles Jones and Andrea Zintz and presents an introduction to their theory and practice called Adaptive Inquiry. The second is from leadership faculty member Andrew Bernstein from his book called *The Myth of Stress*. And in the final excerpt we've also included an excerpt from Daniel Goleman, Richard Boyatzis, and Annie McKee's book *Primal Leadership* on the cultivation of emotionally intelligent organizations. I've also had the privilege to interview Dan about this new book, *Focus*, and our dialogue can be found here as well.

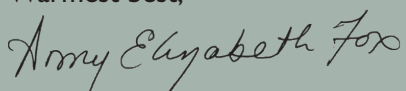
And finally, we have a special section on Business Partnerships from David Gage of Business Mediation Associates, a Mobius Alliance Partner, drawn from his landmark book *The Partnership Charter*.

It's an amazing moment in the life of Mobius. As CEO I could not be more excited for the inflection point we are standing on. I believe many more clients and individuals will be drawn to the offerings we have been preparing these many years through the path of Erica's book. I also trust that *Winning From Within*[™] will offer many people, all around the globe, a chance at a new level of freedom, joy and awakening they did not previously know how to approach and achieve. As her sister, I am deeply inspired by the courage, resilience, vision, and compassion that Erica demonstrated in building and testing her theory. Erica has created a work that is at once simple and accessible for so many and yet nuanced and profound and informed by years of study and self-exploration. I am thankful that so many extraordinarily talented, passionate and generous friends have shown, as colleagues, clients and alliance partners alike, to walk this journey alongside us.

We greatly look forward to sharing *Winning From Within*[™] with each of you and hearing your reactions, thoughts and comments on our community site at www.linkedin.com/groups/Winning-From-Within-3316037

We hope, as well, that you thoroughly enjoy the contents of this newsletter and have a wonderful Fall season.

Warmest best,



Amy Elizabeth Fox
Chief Executive Officer

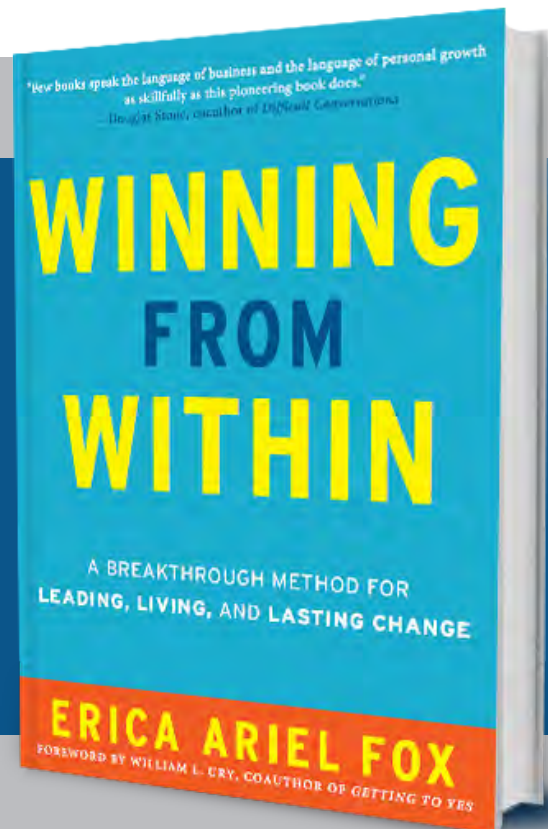
ABOUT THE BOOK

Winning From Within™

“We need to “get to yes” not only with others, but first and perhaps foremost with ourselves...This is where this seminal book by Erica Ariel Fox makes its contribution.”

—WILLIAM URY

Co-author of *Getting to Yes*, Co-founder, Harvard Negotiation Project



Offering the latest best practice advice from Harvard Law School’s Program on Negotiation, *Winning From Within™*, with a foreword from William Ury, provides a road map to aid readers in understanding their inner landscape and develop more agility to access all their intrinsic leadership characteristics. *Winning From Within™* provides a seven step method for closing the performance gap so many of us have in key conversation between what we know we should say and our actual behavior and thereby improve their results in business and in life.

Using real life case studies from coaching clients in business critical or personally meaningful conversations Fox helps readers learn to navigate high stakes interactions – from business deals, client calls, and team meetings to family arguments, landlord disputes, and parent-teacher conferences – improving results at work, and achieving more of what matters to them most in life.

Part of a generational wave of business experts focused on self-awareness, organizational health and clients’ human capital, Fox shares client stories and real life client dialogues to illustrate how leaders get in their own way and offer concrete advice on how to improve their results.

“The goal of the book is to help readers master their ‘inner negotiators,’ whether working with a difficult client, struggling with a stubborn spouse, or reaching for their highest leadership potential,” says Fox, who received her undergraduate degree from Princeton University and her law degree from Harvard Law School.

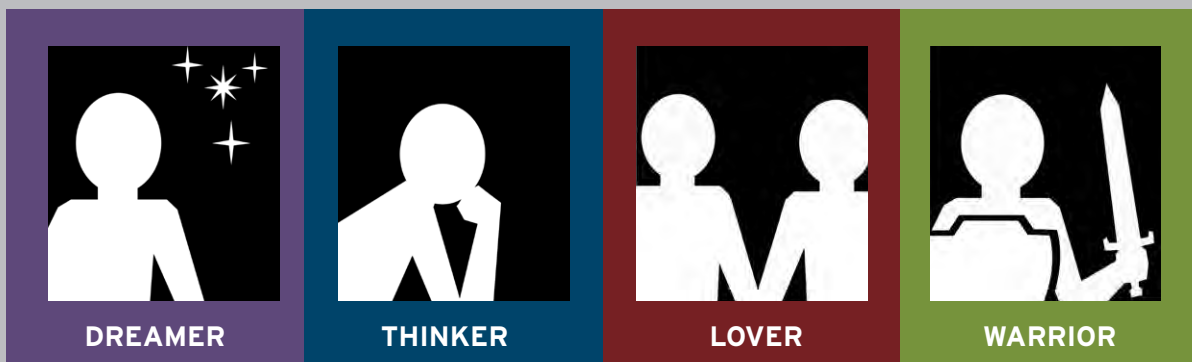
With advice relevant to every conversation that matters, personally and professionally, *WINNING FROM WITHIN™* shares personal anecdotes, business examples and public exemplars that help readers to better understand where they get stuck and how to close their performance gap for greater results in business and in life.

“The Big Four represent your capacity to dream about the future, to analyze and solve problems, to build relationships with people and to take effective action.”

– ERICA ARIEL FOX
Winning From Within™

Just as it would be in a top team, each aspect of leadership is needed for high performance. When sitting around a conference room table, these leaders bring their own vantage point, mandate and attributes to the conversation. If anyone missed the meeting, the team would make decisions that lacked a vital perspective. Without the CEO, they could miss the bold vision that's essential to an innovative strategy. No CFO, and the budget collapses. Without HR, the right people don't get hired or developed. If the COO's absent, it's all talk and no action. In *WINNING FROM WITHIN™*, Fox reveals that the very same dynamic is at play with our own Inner C-suite, or “Big Four.” When we are missing a critical voice, or a vital perspective, we are constantly inhibiting our own high performance, both in business and in life.

Whether you're leading a team or running a household, the sides of you expressed by these inner negotiators are all critical. Ideally, you have the Big Four operating within you in balance. Then you can call on each one when the time is right. In reality, very few of us have easy access to all four. We tend to use one or two of the Big Four a lot, and we mostly ignore the other ones. Self-mastery involves a process of gathering all four of them together, and practicing how to use their strengths to balance each other. *WINNING FROM WITHIN™* enables us to audit our own inner monologue and get a snapshot of how we operate in key interactions. It then provides a tested method for developing the key aspects of leadership that each reader has left behind.



THE *WINNING FROM WITHIN™* "BIG FOUR"



ERICA ARIEL FOX

Author of
Winning From Within[™]

“The key to mastery,
to achieving greatness,
in the kitchen or in the
boardroom, is not your
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AN INTERVIEW WITH **ERICA ARIEL FOX**, AUTHOR OF
WINNING FROM WITHIN[™]

Q You are a negotiation lecturer at Harvard Law School, but this book is really about having better interactions in every area of your life. Can you explain the connection?

>> People think negotiation happens only in boardrooms, or at international summits, but actually, you negotiate every time you try to influence someone, or they try to influence you. The book is about business and improving results at work, but it’s also about negotiating the highways and byways of everyday life. That’s the approach we take to the topic at the Program on Negotiation at Harvard Law School where I’ve been researching and teaching for nearly 20 years.

Q How did you come to realize that the biggest obstacle in most of our interactions is ourselves?

>> I had a big insight on this after working with a senior judge. He’d served on the Supreme Court of his country for decades. When I asked about his biggest challenge, he told me about a conflict with his wife. He couldn’t bring himself to ask her to stop choosing his tie for him. This had bothered him basically every day throughout a very long marriage. Such a powerful person didn’t need help with assertiveness. He knew the words he could say. Like so many of us, to get him the results he wanted he needed to get out of his own way. Once I saw that at work in him, I started to see it everywhere.

Q Can you explain the “performance gap” that your method seeks to bridge?

>> Have you ever intended to do one thing, but then you did something else entirely? You want to listen to your spouse at dinner, but get frustrated and start interrupting? You want to factor the input of the whole team, but you make a unilateral decision? You go in planning to offer an olive branch, but before you walk out you lay down the law? This is the Performance Gap – the difference between what we know we should say and do in theory, and what we all end up doing in real life. *Winning From Within*[™] teaches you how to close those gaps.

Q You write that getting your “Big Four” inner negotiators to work together is key to bridging this gap. Can you share a success story of such an inner negotiation in practice?

>> Think of Nelson Mandela. He used his Dreamer’s vision to sustain him over 27 years in prison, his Thinker’s understanding of complex policy challenges involved in uniting South Africa, a Lover’s feel for developing relationships across a divided people, and a Warrior’s determination to take concrete and purposeful action. As a leader Mandela drew on all of the Big Four when he needed them.

Q You coach executives and senior leaders through this process. What’s the connection between the *WINNING FROM WITHIN™* method and leadership?

>> Leaders focus on results. In public companies, they report to shareholders every quarter. With their eyes on short-term outcomes and measurable scores, they lose sight of how much their results link back to their own mindsets and behaviors. *Winning From Within™* shows them how to get higher performance by making shifts in their understanding of themselves and their way of leading other people. The impact is phenomenal.

Q How can people apply these ideas in their personal lives?

>> *Winning From Within™* has universal principles about how to bring out the best from yourself and create the life you really want. That applies to your marriage and your friendships the same way it does for organizations and businesses. The seven-step method helps you sort yourself out, so you can use your best skills and better nature. Over 20 years I’ve coached thousands of people about

improving their personal lives alongside the executives I advise.

Q What is the one thing you hope readers will take away from your book?

>> Your life is full of so much possibility, more than you can even imagine from where you sit today. You have everything you need inside of you already. You can learn to live fully, and that choice brings not only success, but also great freedom and inner peace.

ABOUT THE BOOK

Q Why did you entitle this book *Winning From Within™*?

>> Leaders focus on results. In public companies, they report to shareholders every quarter. With their eyes on short-term outcomes and measurable scores, they lose sight of how much their results link back to their own mindsets and behaviors. *Winning From Within™* shows them how to get higher performance by making shifts in their understanding of themselves and their way of leading other people. The impact is phenomenal.

Q What prompted you to write a book that blends the language of personal growth and the language of business?

>> Working with business leaders for nearly two decades, I’ve seen first-hand how they excel at technical expertise, but often miss the mark when it comes to self-awareness. The personal growth area has a lot of wisdom to offer, but it’s delivered in psychological language that doesn’t speak to most business people. I wanted to create a bridge between the important lessons from one world into the mindset and language of the other, so that business people could benefit from psychology – an area where they often keep their distance.

>> continued

Q How did the deaths of your parents, two personal events, and the Sept 11, 2001 tragedy, an international one, all within a 12-month period, move you to write *Winning From Within*™?

>> *Winning From Within*™ stands for the idea that the most important negotiations in your life are with yourself. When my family was thrown into so much grief and turmoil, I had to confront a lot of conflicts in myself. In talking with my sisters, should I drop an issue, or hold my ground, knowing that might escalate things into an argument? When grappling with estate issues, should I say how I honestly feel, or hold my tongue? Time and again, I saw how negotiating with myself was directly related to the outcomes in high stakes conversations. There was no book yet to give advice on how to deal with this very common situation.

The events of Sept 11, 2001, reinforced my perception that we needed a new way to understand conflict.

So on the home front, as well as the world stage, I knew an important piece of the puzzle was missing. Given my training by world leaders in this area, like *Getting to Yes* authors Roger Fisher and William Ury, I felt called to do something about it.

Q What sets *Winning From Within*™ – a book on leading and living - apart from similar themed books other than the fact that *Winning from Within*™ is easy to read and the simplicity of your thoughts come across with clarity?

>> *Winning From Within*™ breaks new ground in a lot of ways. First, it gives you a seven-step system for sorting yourself out, so you can make good decisions and take effective actions. Unlike other books that foster self-reflection, this book is written for a business and general interest audience. That means not only that the models fit in the business world, but also the book is filled with real-world examples from organizations and workplaces. Business readers can immediately see how the tools relate to the challenges they face every day. Finally, *Winning From Within*™ provides practical tools, but it's far more than a how-to book of business

advice. The book is unique in the way it offers profound insights from centuries of wisdom traditions and makes them relevant for today's business situations.

ABOUT THE AUTHOR ERICA ARIEL FOX AND HER PERSONAL JOURNEY

Q What did you learn about yourself from writing this book?

>> *Winning From Within*™ introduces the idea that we all have "inner negotiators." I talk about a quartet of them, which I call the Big Four. They are your inner Dreamer, Thinker, Lover, and Warrior. As the names suggest, they represent the part of you that envisions the future, analyzes information, builds relationships, and gets things done, in order. In my normal work with companies and teams, I spend so much time with people, I never appreciated how much my inner Lover values relationships. I tend to lean more on my other three. Writing a book is a lonely process. I went from working with people to assist them with intense crises or terrific opportunities to sitting by myself all day in front of a laptop. Now the book is done and I'm back to advising people, so I'm happier, because I learned that I do need connections with people in my daily life.

Q In your book and in your training held around the world, you highlight the importance of personal, spiritual, and the human aspects of negotiation and leadership. Has your personal beliefs ever been a barrier as you train people from diverse religion and beliefs?

>> I can honestly say that diverse religions or personal beliefs have never been a barrier for me in working with people. I've been surprised by behaviors that make sense in some cultural contexts that differ from mine. For example, in a negotiation training for a very global audience, people negotiated a sales deal in an exercise, and when they came back, someone reported that his partner had offered him

a bribe. I'd never seen that happen before. But the partner said giving bribes is part of the normal course of doing business in his country, so it seemed obvious to him to make the offer. With groups from around the world, it's very important to keep an open heart and mind. I recognize that plenty of people don't approach leadership or life the same way I do.

Q Why did you move from being a lawyer to becoming a trainer in leadership and negotiation skills?

>> I was a litigator for less than one year. I hated it. Litigation is the farthest thing possible from looking for win-win solutions, one of the core principles of the Program on Negotiation at Harvard Law School, where I've taught for nearly 20 years. I didn't want to devote my life to helping some people beat other people. Helping leaders and other professionals to bring out the best they can in the service of stronger companies, healthier workplaces, and solving some of the world's toughest challenges, is a much more inspiring reason to get out of bed in the morning.

ABOUT THE AUTHOR'S WORK AS A CONFLICT RESOLUTION PROFESSIONAL

Q Why are spiritual beliefs important in living and leading and I refer to the breakdown in the economic systems today as a result of the banking and property crisis?

>> Most spiritual traditions value the common good over helping the individual. From the Golden Rule to the idea that we're all connected at the level of pure awareness, spirituality points us away from our personal needs and our own ambition to care for each other. One dimension of these crises is the abandonment of this principle on a massive scale. In *Winning From Within™* I offer a call to action to embrace our common humanity. If business and world leaders live and lead from that stance, these breakdowns don't need to repeat themselves.

Q What are the failures of today's leadership in today's globalised and rather disintegrated world?

>> Many of the leadership failures we see today are very human ones. Time and again we see otherwise effective leaders losing their roles and reputations during scandals. These are different from the past, because they focus on personal life failures. Where Richard Nixon lost his role over politically-motivated actions, today a leader is more likely to step down over inappropriate behavior in the bedroom. That's part of why the Winning From Within™ approach to looking at yourself, and how to get out of your own way, is so needed right now. We're losing talented people who can address real-world problems because they haven't worked out their own inner conflicts. People need to realize that leading successfully over time requires a bit of work on themselves.

Q Having trained people from all continents, what are the major negotiation styles between Americans, Europeans and Asians?

>> What I find across all of these groups are the same universal elements of human nature, what I call the Big Four: the Dreamer, the Thinker, the Lover, and the Warrior. Everyone has some combination of these that work well, and others to develop. That's true no matter where you were born or where you live today.

Q What can Asians learn from the West and vice versa?

>> The Winning From Within™ method in some ways represents a marriage of East and West. Historically, societies in the West have placed more emphasis on the individual. They focus on civil liberties and individual rights. The East has placed its attention on the collective, with societies organized around the state, and spiritual practices for managing and transcending your individual, ego-bound desires. *Winning From Within™* draws on the wisdom of both approaches, showing you how to bring out your best as an individual, and also teaching you how to look beyond your own story and join the larger, universal story. ■

WINNING FROM WITHIN™: The Introduction

Once upon a time, before I went to college, my mother worried. I didn't know how to prepare what she called "any decent meals." So she bought me a copy of *The Joy of Cooking*, and sat me down to watch and learn. She opened the cookbook to a favorite recipe and began to show me how to make it.

"Here it says use vegetable oil, but I always use olive oil."

And then "here it says use chili peppers, but I always leave those out, because the dish gets too spicy."

And on it went. Just like that.

"It says here to add salt, but *never* do that—salt is bad for your heart."

After some time, I interrupted the process.

"What is the point of the recipe if you do whatever you want anyway?" I asked.

And then, as sometimes happened in my mother's bright red kitchen, a pearl of wisdom was passed down to me in the uniquely memorable Louise Fox way.

"Listen to your mother. A meal becomes good by starting with quality instructions. It becomes great when you add a quality chef." Since that day more than twenty years ago, I've come to understand my mother's teaching as a proverb that applies far beyond cooking. Actually, it applies to every important activity in our lives. In negotiating the highways and byways of life, recipes can take us only so far. Beyond getting the right ingredients or dutifully following instructions, to become a "quality chef"—in cooking and in life—we need to reach beyond the fundamentals and learn to adapt, improvise, and innovate as life demands. We need to use not only our utensils—our "best practices" and techniques—but also our inner strengths and deeper wisdom.

The key to mastery, to achieving greatness, in the kitchen or in the boardroom, is not your toolbox. **It's you.**

Getting Out of Our Own Way

Life is a series of attempts to get things right. You work to achieve your goals. You hope to fulfill your potential.

And you want to be a good person. You aim to live well, love and be loved, and if all goes well, make a contribution. Some of these come easily; others don't. You do the best you can.

Still, despite your best efforts, things don't always go according to plan.

Who hasn't said or done the wrong thing, making a bad situation worse? Or said nothing, when we might have made a difference if we had? Who hasn't lain in bed at night thinking, "I can't believe I said that!" or "Why didn't I speak up when I had the chance?" We may especially beat ourselves up when we fall into the same old traps. "*I did it again . . . even though I knew better.*"

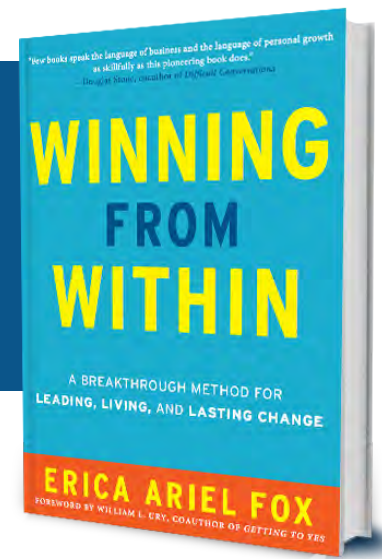
Everyone has some version of this experience. You prepare for an important meeting, or a weighty conversation. You think in advance about what you want to say. And then, in the moment of truth, it doesn't go the way you pictured it the night before.

The interesting thing is how often the difference doesn't come from what other people said or did. We like to point fingers, yes. But in truth, the reversal of fortune from the night before quite often *comes from us*. We go in with one plan. Yet we end up doing something else entirely.

Why?

Consider the following scenarios:

- ▶ In a conversation for a promising contract, Tonia, who owns her own business, is surprised when a potential client pushes back on her fees. She'd gone into the meeting intending to be flexible—new opportunities had all but disappeared since the economy tanked. But in the moment, Tonia feels insulted and undervalued. She walks away from the engagement, despite needing the work and having a decent offer on the table.



“We need to reach beyond the fundamentals and learn to adapt, improvise and innovate as life demands.”

– ERICA ARIEL FOX
Winning From Within™

- ▶ While meeting with a valued client of his firm, Pierre learns that the client rejected his recommendations for upgrading their IT system. The client tells Pierre why he doesn't think the strategy will work for them. Pierre knows he should use the “active listening” he learned in a seminar. But he's proud of the strategy, and believes it's right for the client. Pierre explains why the reservations are unfounded, laying out again the merits of the proposal. The client doesn't want to argue. Instead, he asks Pierre's boss for a different consultant.
- ▶ Susan comes home from a long day at work and wants to connect with her family. At the dinner table, she describes her taxing day at the office. Her husband, Mike, complains that Susan isn't paying enough attention to their daughter Jennifer, who's struggling at school. Susan bristles. “My job isn't the cause of Jenny's problems,” she says. Mike disagrees. “You seem more concerned with your customers than with our daughter!” Susan snaps back. “You have no idea what it's like to be a working mother!” Jennifer shrinks into her chair as Susan and Mike finish dinner in a tense, uncomfortable silence.

Despite our best intentions, we often miss opportunities and generate breakdowns. We walk away from good deals, harm relationships, and generally act against our own interests. Plenty of books tell us what to do about “difficult people.” The truth is we need advice for succeeding when the difficult person is us.

Until now, experts have paid little attention to mapping the myriad ways we get in our own way. Yet when push comes to shove, we are often our own worst enemy.

The advice we do get about improving ourselves emphasizes changing our behavior to get better results: we should assert less, or assert more; listen, and ask more questions. The problem is that focusing on tactics and techniques misses the mark in many cases, because you're throwing darts at the wrong board.

Remember my mother's advice on cooking. Trying to fix behavior is like focusing on a recipe. It's necessary, but insufficient to achieve high performance. You'll start seeing big impact when you pay attention to what you, the “chef,” are bringing to the meal. Lasting change starts with you.

Despite what you might think, what happens inside you is something *you can change*. If you know how. When you do that, you start making new choices, and getting better outcomes. You feel good about how you get things done. And you're much more likely to make a meaningful difference.

This book takes that challenge head-on.

Winning From Within™ provides insight into how you get in your own way and what to do about it. It gives you a map for understanding your inner world, and a method for sorting yourself out. By understanding yourself and the common traps you fall into, you'll learn to turn breakdowns into breakthroughs, whether you're struggling with a difficult colleague or arguing with your teenage son. If you practice the steps in this book, over time you'll stop planting your own minefields. And better yet, you'll finally be able to capture life's wonderful opportunities when they come your way.

My Journey

I came to write this book by standing on the shoulders of giants. In 1981, my mentors in the Harvard Program on Negotiation (PON), William Ury and the late Roger Fisher, wrote the landmark *Getting to Yes: Negotiating Agreement Without Giving In*, a book that has since sold more than 3 million copies. Their work changed the negotiation game by introducing the famed “Harvard Concept”—how to “separate the people from the problem”—and calling for “win-win” collaboration over blind competition for the mutual benefit of all concerned.

In 1999, my friends Douglas Stone, Bruce Patton, and Sheila Heen built on those ideas in their best-

selling book, *Difficult Conversations: How to Discuss What Matters Most*. They shared the new best practices from PON, addressing what had become a recurring question about the first theory: what happens when you can't separate the people from the problem, because, in fact, the other people are the problem? They introduced the notion of the "three conversations" to help resolve that quandary.

I'd graduated from Harvard Law School (HLS) in 1995 and started teaching there in 1996. HLS is the home of PON, the leading think tank in the world on making deals and resolving disputes. PON has been my professional home for nearly two decades, for which I am profoundly grateful. I was blessed with the mentorship of luminaries in the field, from thought leaders to pioneers in practice. I also built friendships in my early years at PON, with people who remain my inner circle to this day.

As a protégé of Roger and William, and as a colleague of Doug, Bruce, and Sheila, I taught the material contained in these books to Fortune 500 corporations, government agencies, not-for-profits, and every kind of organization in between. I had the privilege to share these ideas on nearly every continent. I also learned the art of developing new frameworks and methodology.

In addition to taking negotiation workshops like ours, our clients had often studied the bestselling books on effective habits and how to influence people. They certainly knew what they "should" do to succeed. Yet all too often, in the heat of the moment, they'd lose sight of their goals. They'd find themselves failing to speak up at a meeting; lambasting a co-worker before hearing her out; leaving money on the table when they might have gotten more; or vowing to communicate gently with a spouse but snapping sarcastically instead.

I had to wonder. Why weren't the best practices we'd taught these professionals—such as focusing on interests rather than positions, or listening carefully to people with strong emotions—enough? When push came to shove, why did people shut down, lash out, or avoid the conflict altogether?

I saw a clear need for a new and deeper approach to leading and living. I was inspired to resolve this disconnect between what people know they *should* say and what they *actually* do every day. I was determined to work toward a practical solution, following in the

PON tradition of linking theory and real-world usefulness.

The ideas in this book sprang from these realizations, but also from two other experiences: the death of both of my parents within one year and, during that same twelve-month period, the events of September 11, 2001.

The Personal Side of the Story

On Friday afternoon, November 10, 2000, I called my mother to wish her a peaceful Sabbath, as I always did before lighting my candles. That Saturday night, my sister called to tell me that Mom was in the hospital. She had collapsed from a stroke. By Sunday, November 12, she was gone.

For the next year I said memorial prayers for my mother every day. My main focus was to support my dad. He'd lost his companion of forty years.

As I weathered this year of personal challenge, a national tragedy took place: the events of September 11, 2001.

The sense of shock, grief, loss, and disarray was overwhelming for everyone. Stories poured forth about the workers in the towers, the passengers on the planes, the fire and police crews who had rushed to the rescue.

“The identity we show the world, and ourselves isn't necessarily false; but it isn't fully true.”

— ERICA ARIEL FOX
Winning From Within™



As a conflict resolution professional, I found myself profoundly disturbed. *Getting to Yes* and the worldview behind it helped to usher in a new era of negotiation strategies, ones built on fairness and mutual understanding. The notion of a “win-win” outcome had become conventional wisdom in many parts of the world. With my colleagues and friends, I’d fanned across the globe teaching these methods and tools to help people work out their differences without violence. Yet here in my own backyard, people were flying planes into buildings. Thousands of innocents went to work in the morning and never came back.

The ashen faces of New Yorkers streaming away from the flames haunted me. What were we negotiators doing wrong? What were we missing?

As the public grappled to make sense of this horrific bloodshed, I approached the milestone that would end my private mourning period. By marking the first-year anniversary of my mother’s death, I wanted to turn the page and move forward with my life. But that didn’t happen. Not two months after September 11, and the week before commemorating that first anniversary, my father very suddenly passed away.

When my father died, I felt profound grief. I also inherited a large responsibility. As the only lawyer in my family, I took over all legal matters. I dealt with a mountain of paperwork while continuing every day for another year to say the Jewish memorial prayers for a deceased parent.

The Negotiation Cyclone

Ironically, when I took a break from my professional world of engaging conflict to focus on my family, I was thrust into a negotiation cyclone of my own. In the days before my father passed away, it was with doctors, ICU nurses, my rabbi, my siblings. Then came the lawyers, insurance agents, tax accountants, art appraisers, and myriad other estate professionals.

One of the more memorable negotiations was with “Al the Garbage Guy,” who wanted thousands of dollars to take away our trash. And then we faced the sea of Donation Ladies—some wanted clothes sorted by color, some by size, others by season. Some wouldn’t take summer clothes at all. If there was a method to their madness, I never figured out what it was.

Friends watched me navigate this tender, endless process and would invariably ask me the same thing: “You know, Erica, you’re an international leader in negotiation. You’ve taught this stuff all over the world. After all of your training and the hundreds of work-shops you’ve led . . . *does any of this stuff really help?*”



“What makes the difference in successful negotiation and leadership lives inside of us.”

— ERICA ARIEL FOX
Winning From Within™

I had to pause and think about this. I’d spent countless hours negotiating with doctors, lawyers, insurance agents, and hospital bureaucracies. I’d dealt with high-stakes, high-pressure situations, literally the stuff of life and death. I’d had incredibly raw conversations with my sisters. I’d negotiated from morning until night. Had my immersion in negotiation skills prepared me to engage all of this successfully?

Yes and no.

On the one hand, of course, years of teaching best practices for managing conflict had helped me. I had tools for breaking down complex situations and prob-



lem solving. I knew how to consider different points of view. I could mediate among people holding strong emotions and the conviction that their perspective was the only correct one. I could generate a range of potential solutions to disputes that seemed to have no answer. And I had the communication skills to keep very challenging conversations moving forward when impasse loomed.

At the same time, as I reflected over the course of a year on this question, I saw that the skills and capabilities we had taught for all these years were insufficient to the task. People had come from around the world to Harvard to learn the fundamentals of negotiation, and we had delivered that. We offered a sound conceptual foundation and core behaviors that foster competence. But when push came to shove, this foundation by itself hadn't been enough to produce results when it mattered most. When the going got rough, real-time effectiveness required something more. I wondered: *What else is there?*

The nexus of my personal odyssey and the public catastrophe of September 11 made this question unavoidable and urgent. I took a yearlong sabbatical to explore and learn. I contemplated why, in the heat of the moment, I wasn't always able to use common-sense negotiation tips or prevent discussions from escalating into hostile debates. What made the stuff work, or not?

I noticed that during the more "successful" interactions, I'd relied on techniques I'd learned beyond the Harvard classrooms, some based in wisdom traditions thousands of years old. These same tools were gaining recognition at the time through discoveries in neuroscience. Brain science and philosophy were converging on the power of looking within to generate powerful and lasting change.

The Next Step in Best Practice

What I came to realize during that complex time is a simple truth: that what makes the difference in successful negotiation and leadership lives *inside* of us. The key to a good outcome, whether around a conference room table or the dining room table, is to undertake a negotiation within ourselves. Yes, we can learn to say and do helpful things. But ultimately the ability to achieve mastery over how we lead and live with each other comes from a place within, what I call "center of well-being," or our "center."

When we anchor ourselves in our center, we are mindfully aware of our reactions and choices. The actions we then take produce better results, stronger relationships, and more of life's deeper rewards.

I realized I needed to bring this insight into my teaching. So I founded the Harvard Negotiation Insight Initiative (HNII) in 2002 at PON. The mission of HNII was to explore the integration of the world of action and the world of reflection. HNII served as a living laboratory, bringing professionals together for executive education from around the world.

One summer, people came from more than forty-five countries to experience the innovation that was stretching the Harvard Concept to a new level. Our programs gave equal weight to neuroscience and to the creative arts; we taught PON's best practices combined with the insights of psychologists, poets, and theologians. Across these diverse disciplines, the consistent wisdom pointed people back to themselves. Out of this eclectic melting pot, the ideas and methods in this book were born.

In the years since this research started, my personal life has changed course dramatically. My parents' memory now brings me warmth instead of sadness. The estate is long behind me. My focus is now on my new family—my wonderful husband, Bernardus, and his beautiful son, whom we affectionately call the Little Dude. I'll share more of *that* part of the story in the pages to come.

An Idea Whose Time Has Come

At the beginning of this journey I wondered if the idea of self-exploration would fly in corporate environments. It turned out the answer is yes. More than a decade after its inception, *Winning From Within*[™] isn't an experiment anymore. Thousands of people have used the map and the method to get out of their own way and get the results they really want.

At Mobius Executive Leadership, a company I cofounded with my sister Amy Elizabeth Fox, my partners and I now have substantial experience teaching this material to senior teams, managers, and emerging leaders. In turbulent times, when the pace of change makes your head spin, business leaders and public servants alike want a system that helps them stay balanced as they face unprecedented complexity and uncertainty.

Consensus is growing in the business community that “the next big thing” in leadership relates to transforming the capabilities of leaders themselves. Reality has leapt ahead of people’s capacity to cope, no less thrive. Leaders need tools for examining how they operate, and methodologies for evolving to new mindsets and behaviors. The ability to “lead yourself” is emerging as today’s new leadership requirement. *Winning From Within*[™] provides a necessary road map for that leadership development.

Your Journey, Our Journey

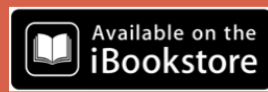
I’ve now shared part of my journey. I’ll tell you more of my story to illustrate ideas. But the rest of this book is fundamentally about your journey.

Winning From Within[™] is about reconnecting all the parts of yourself and engaging them skillfully as you navigate your interactions with the world around you. It explains the links between personal mastery and high performance. It provides you with a way to fulfill the broadly felt wish to experience a world in which daily life at work and at home reflects the best of who you are.

As you will soon see, the method is not a quick fix. It doesn’t offer shortcuts or tricks to get your way. Instead, it provides a map for lifelong learning. While the path is challenging, and the results at times hard won, the process fosters genuine and lasting transformation. ■

To order your copy of *Winning From Within*[™], please click any of the links below.

After reading the book, we invite you to please post a review with your thoughts about the book's strengths and gifts for readers.



To inquire about *Winning From Within*[™] programs please contact:
info@winningfromwithin.com

Thanks for joining the *Winning From Within*[™] community!

WINNING FROM WITHIN™ OFFERINGS

THE PERFORMANCE GAP™

Through years of action research and application of new ideas to real world problems, Erica came to discover a gulf between what people know they should say and do—their potential to negotiate and lead successfully—and what they actually do in practice. She calls this phenomenon The Performance Gap.™

It turns out that real time success requires a combination of what you have learned to do and say on the outside with what you think, feel and experience on the inside.

The *Winning From Within*™ Method helps professionals seeking greater success and higher satisfaction to close The Performance Gap.™

Over nearly 20 years, Erica Ariel Fox has been teaching negotiation at Harvard Law School. She has also trained thousands of executives, diplomats, consultants and lawyers from all over the world.

Over time, Erica asked herself, “What is the best advice to help professionals actually use their best skills and higher nature when they are under pressure and in real time? What useful system can pave the way to high performance, even in times of great change and ambiguity? How can organizations bring out the absolute best from their people?”

Finally, the *Winning From Within*™ Method provides some answers.

Managing requires that we negotiate effectively with other people. Leading demands that you negotiate successfully with yourself.

The *Winning From Within*™ Method is a proven process for getting out of our own way, in order to lead and live from your highest potential. This groundbreaking process teaches business leaders and others to develop the capabilities to execute high performance by drawing on a range of different mindsets:

**The Practical • The Analytical • The Relational
• The Inspirational • The Essential**

“IF *WINNING FROM WITHIN*™ ISN’T THE NEXT IMPORTANT FRONTIER, I DON’T KNOW WHAT IS.”

—DOUGLAS STONE

CO-AUTHOR, *DIFFICULT CONVERSATIONS: HOW TO DISCUSS WHAT MATTERS MOST*

Most professionals lose precious time every day fighting with different sides of themselves—what the *Winning From Within*™ Method refers to your “inner negotiators.”

The *Winning From Within*™ Method shows how to successfully navigate these internal negotiations in order to harness the best of who you are every day: at work, at home, and in the communities where you live.

Experience the *Winning From Within*™ Method

Winning From Within™ is based on nearly 20 years of experience teaching negotiation at Harvard Law School and that same time spent training professionals around the world and providing strategic counseling and conflict mediation to top teams.

From developing people and leading teams to shaping an organizational culture, inspiring the workforce, and managing complex change, leadership requires advanced skills.

Current and high potential leaders need the internal strengths and external skills to lead in the most essential dimension of any organization—the domain of human capital.

***Winning From Within*™ is available to private and public sector clients in three offerings described in the pages to come:**

- ***Winning From Within*™ Fundamentals:** Designed for mid-level managers.
- ***Winning From Within*™ Leaders:** Designed for senior professionals and high potentials.
- ***Beyond High Performance*™:** Designed for senior professionals and high potentials.

“TIME AND AGAIN WHAT ERICA HEARD FROM PEOPLE AND WHAT SHE OBSERVED DIRECTLY, IS THAT IN THEORY PEOPLE KNOW WHAT TO SAY AND DO BUT WHEN IT MATTERS MOST, THEY CAN’T ACTUALLY DO IT.”

Fundamentals

Winning From Within™ Fundamentals is a basic two-day skills course available for organizations wishing to embed the *Winning From Within™* method.

In this course participants will learn the framework and tools they need to lead people, deliver effective results and cultivate engagement and accountability in the organization. Unlike models that focus on behavioral change this course operates from the inside out, building the key internal strengths and qualities participants need to serve as an effective leader.

This program introduces participants to their Big Four profile and offers insight into how they get in their own way. *Winning From Within™ Fundamentals* course raises self-awareness while building capability, thereby dramatically improving participants' influence and results.

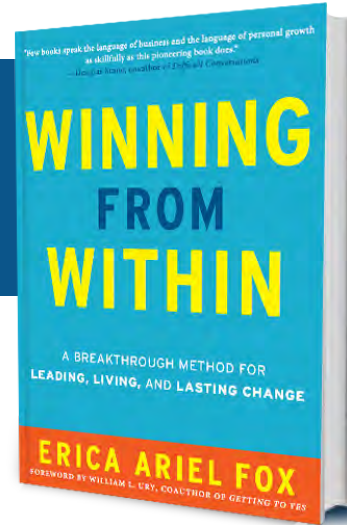
Leaders

Winning From Within™ Leaders is a targeted learning experience for your senior professionals or your high-potential leaders.

Very few development programs are appropriately tailored for your most experienced business leaders, or customized for high-potential leaders. From shaping your organizational culture, serving your valued clients (externally and internally), to innovating the future of your firm, these

people shape every aspect of your business with both their leadership strengths as well as their blind spots. Based on nearly 20 years of experience coaching global leaders in both business and the public sector, *Winning From Within™ Leaders* is designed to support your people in their own unique developmental stage.

Winning From Within™ Leaders can be tailored for in-tact teams and top teams. They can bring forward their real life leadership challenges and address long held habits of thinking and behavior that might be impeding their performance or sense of meaning. Senior faculty members take participants through the seven step model in detail, coaching with “real-play” cases of the business conversations that matter most. All the more relevant in today's business climate, *Winning From Within™ Leaders* assists individuals and teams to manage complex problems and lead during periods of accelerated change.



For more on the Fundamentals and Leaders *Winning From Within™* training programs please see www.winningfromwithin.com



Below please find links to recent interviews with our CEO Amy Elizabeth Fox and President Erica Ariel Fox, both conducted by our friends at Inkandescent Radio.:

<http://inkandescentradio.com/podcasts/146/amy-elizabeth-fox>

<http://inkandescentradio.com/podcasts/141/erica-ariel-fox-winning-from-within>

inkandescentradio

The Inkandescent Radio Network: The Voice of Entrepreneurs

Bringing the wisdom of small-business owners to the radio waves is the goal of The Inkandescent Radio Network, which launched in January 2013.

Created by journalist, publicist, author, and entrepreneur Hope Katz Gibbs, the network features a series of business-focused radio shows that provide inspiration, motivation, and education about best practices in small business.

The radio network is but one service of the Inkandescent Group, LLC, which is the PR and publishing company that Gibbs created in 2008 to increase the viability of entrepreneurs across the nation. To date, she's help build websites, launch newsletters, and get more than 200 entrepreneur in the news. For more information visit www.InkandescentPR.com.

“The first step in closing your Performance Gap is seeing your own role in the results you’re getting.”

– ERICA ARIEL FOX, *Winning From Within*™



ADVANCE PRAISE FOR WINNING FROM WITHIN™

“Erica Ariel Fox has created an imaginative, innovative, and powerful toolbox for helping manage our inner world. Winning From Within™ maps a path to a better life.”

–DANIEL GOLEMAN, BESTSELLING AUTHOR OF *EMOTIONAL INTELLIGENCE*

“Winning From Within™ is bound to change the way leaders are developed forevermore. Its ideas and inspiration will take the business world by storm.”

–PETER GUBER, CEO, MANDALAY ENTERTAINMENT, AND BESTSELLING AUTHOR OF *TELL TO WIN*

“A remarkable contribution from a new voice. If you read one leadership book this year, pick Winning From Within™.”

–MARSHALL GOLDSMITH, BESTSELLING AUTHOR OF *WHAT GOT YOU HERE WON'T GET YOU THERE*

“Erica Ariel Fox is an innovator in integrating transformational work with practical approaches to negotiation and leadership. Her book is a new approach that will make a difference at both work and home alike.”

–DEEPAK CHOPRA, AUTHOR OF *THE SOUL OF LEADERSHIP*

“After 25 years in the business, Winning From Within™ was simply the most impactful training I have ever experienced.”

–BRIAN RATTÉ, AMERICAN SALES LEADER, INDUSTRY SOLUTIONS | IBM

“Erica is simply one of the best leadership teachers of our time. Her book will change your life. It changed mine.”

–NATE BOAZ, PARTNER | MCKINSEY & COMPANY

“Erica Ariel Fox knows how to transform her reader and really make them think, question their beliefs, and change for the better. I highly recommend Winning From Within™—she is a cutting edge thought leader and change agent.”

–PUJA SEHGAL JASPAL, PRINCIPAL, COMPENSATION TEAM | GOOGLE

“Winning From Within™ is an epiphany and inner guidebook in one. It reveals how our goals can be reached through knowing and acting from our best selves, but more importantly it teaches us how to actually do this. The lessons from Winning From Within™ have unlocked a more creative and collaborative way of working for our leaders, for our teams, and for our company.”

–C. GEOFFREY McDONOUGH, CEO AND PRESIDENT | SOBI

“Winning From Within™ offers a powerful and practical method for character development, a missing link in leadership development that is increasingly essential for new and seasoned executives alike.”

—AMY EDMONDSON, NOVARTIS PROFESSOR OF LEADERSHIP AND MANAGEMENT | HARVARD BUSINESS SCHOOL

“Erica Ariel Fox has a wonderfully engaging writing style— clear, funny, touching. In this appealingly personal, professional and practical book, Fox brings the world of negotiation to a whole new level, by including the missing dimension, the “inner game”: What is the agenda you are driving, and what is the agenda that is driving you?”

—ROBERT KEGAN AND LISA LAHEY, AUTHORS, IMMUNITY TO CHANGE
FACULTY, HARVARD UNIVERSITY GRADUATE SCHOOL OF EDUCATION

“I’ve worked with Erica and her team for years with both senior executives and line leaders. If you want to create a high performance culture, you don’t want to miss Winning From Within™.”

—MARKO SATARAIN, SENIOR DIRECTOR, HEAD OF TALENT | LEVI STRAUSS & CO.

“I’ve worked with Erica and her team for years and consider them among the best transformational practitioners. Continuing in the lineage of pioneering books from Harvard Law School, Winning From Within™ delivers on its promise. Designed to foster individual breakthroughs that lead to organizational results this book takes a whole person view of the leader. Winning From Within™ uniquely combines best practice advice on Leading Self with advice on how to successfully conduct business critical conversations. Perfect for grooming adaptive leaders to meet modern business challenges. I recommend it highly.”

—MICHAEL CHAFFERS, DIRECTOR, TALENT & CULTURE | NOVARTIS INSTITUTES OF BIOMEDICAL RESEARCH

“Winning From Within™ is a very practical guidebook for increasing your skill and confidence in key business situations. Few books can cross over from the executive shelf to relevance for the front line, but Winning From Within™ has something for everyone.

—JAMIE BRADY, HEAD, INDUSTRIAL OPERATIONS LEARNING & DEVELOPMENT | GENZYME, A SANOFI COMPANY

“Many have discussed the characteristics of successful leaders; far fewer have illuminated how to be [emphasis] a more effective leader. Erica Ariel Fox provides invaluable advice here that is both insightful and pragmatic – clarifying the powerful ways in which the inner lives of leaders shape their external effectiveness.”

—MIKE ANDERSON, CHIEF INNOVATION OFFICER AND HEAD OF LEADERSHIP SERVICES | SPENCER STUART

“Learning the behaviors of leaders doesn’t translate into performing the practices of leadership; you need to activate something inside of you that enables you to perform the skill.”

—ERICA ARIEL FOX
Winning From Within™

Meet Erica Ariel Fox

Presentations

Erica Ariel Fox, J.D., teaches negotiation at Harvard Law School, and is the President of Mobius Executive Leadership. A graduate of Princeton University and Harvard Law School, she's been teaching and consulting for almost 20 years. A highly sought-after expert and speaker by companies around the world, Erica is also a Senior Advisor to McKinsey Leadership Development. Mixing nearly two decades of teaching and researching at Harvard Law School, extensive experience in the hands-on world of business, and her own personal touch, Erica brings a unique voice to the conversation about leading wisely and living well.

Erica also works with public sector leaders, civil servants, members of government, and non-profit organizations to advance the common good. She is an Influencer on LinkedIn and blogs for Harvard Business Review (hbr.org).

Erica is actively exploring the meaning of life as a "global citizen", living with her husband and stepson in Amsterdam, The Netherlands and outside of Cambridge, Massachusetts, in the United States.

To book Erica Ariel Fox please visit www.EricaArielFox.com or email booking@ericaarielfox.com.





Your Big Four Survey

With this survey, you can discover more about your Inner Negotiators. Find out about your profile, and discover the strategies of a Dreamer, Thinker, Lover and Warrior. Then, by linking your inner negotiators to your world of work or home, you'll create brand-new results, stronger relationships and a full, rewarding life. Go online and get started today!



Wallet Card

Whenever you need an easy recap of the path to winning from within, this downloadable wallet card will provide the perfect visual reminder. Hang it up by your desk or your kitchen bulletin board or keep it in your wallet, and your inner negotiators will always be nearby.



Virtual Seminar

Looking for a *Winning From Within*™ experience that goes beyond the book? Now you can attend one of Erica's powerful programs from the comfort of your own home! Simply download this pre-recorded live event onto your tablet or computer and learn from the master herself how to get out of your own way and truly transform your breakdowns into breakthroughs.



Video Library

Whether you need to persuade a colleague for an extra resource or ask a persnickety neighbor for a favor, your life is a constant series of negotiations. But that doesn't mean you have to face them alone! In these insightful, short video tutorials, Erica walks you through everyday examples of the lessons taught in the book, providing a quick and easy playbook for making the most of your daily interactions.



Discussion Questions

Build your life skills and leadership strengths by discussing these thought-provoking questions at your next team meeting or book club.



BEYOND HIGH PERFORMANCE:

A UNIQUE EXECUTIVE EDUCATION EXPERIENCE



BEYOND HIGH PERFORMANCE (BHP) is an advanced leadership program for senior leaders and high-potentials. The program is limited to 24 people, and includes one-on-one executive coaching as well as classroom education, offered over several months. BHP's two weeklong sessions are residential.

BHP is a rare opportunity to look deeply at your own mindsets and behavior, and master getting out of your own way. You will leave the program with clarity and purpose about the next step in your life and career, whether you've already built and sold your own business, or you're about to lead a business unit for the first time. The program accelerates entrepreneurial thinking in high-potentials and renewed inspiration in senior leaders looking to craft a meaningful way to engage after decades of success.

To foster international participation, one residential week takes place in Europe and the other in the United States. Admission is by application, and registration is on a first-come, first-served basis. When 24 registrations are complete, we begin a waitlist.

Program Elements include:

- Two weeklong residential sessions, led by Erica Ariel Fox, author, *Winning From Within*™, and other world-class faculty
 - o Leading-edge experiential methodology for embedding learning
 - o An international group of successful leaders, taking their impact to a whole new level
 - o Your copy of *Winning From Within*™
- Your own executive coach assigned to you throughout BHP
 - o Three calls by your coach with other people in advance of BHP, to get input on your development goals. These are people of your choosing, including colleagues, clients, or your company sponsor for BHP
 - o Your coach reviewing relevant performance data for you, such as results of a recent 360 degree feedback process, if you'd like

Info@Winningfromwithin.com

- o An executive coaching session before BHP begins, with your own coach, to clarify your vision and learning goals for the program
- o One-on-one executive coaching during weeklong residential sessions, and once-a-month with your coach between sessions
- o Reading and other exercises tailored for you by your coach and customized to your development goals

Details

Beyond High Performance includes two weeklong residential sessions. Participation in the program requires full attendance at both sessions. We have a Saturday evening to Thursday lunch schedule so the program interferes with only one weekend for travel per session.

Session One:

Saturday, June 21, 2014 at 5:30 pm
to Thursday, June 26, at noon

Outside of Amsterdam, the Netherlands
At Blooming (Bergen):
www.blooming-hotels.com/default-en.html

Session Two:

Saturday, October 18, 2014 at 5:30 pm
to Thursday, October 23rd, at noon

Outside of Boston, Massachusetts, United States
At the Warren Conference Center
<http://www.warrencenter.com/>

BHP offers a 10% Discount:

- for groups of four or more from the same organization, and
- for registration completed by December 15, 2013.

For more information, please visit www.winningfromwithin.com, or call the Mobius office 781-237-1362

The Winning From Within™ method of balancing your profile and connecting to your core isn't about adventure to a new land. It's about the voyage we are all on: to stretch and grow, to live fully, to figure out who on earth we really are. It's a method for waking up to the wide range of our experiences, both out there in the world as well as in our inner lives. The voyage is both joyful and painful. But ultimately we want to water the seeds of possibility that are dormant within us. That's how we live and lead from our full power, our full potential, our full beauty and grace. It's how we find our way home.



Info@Winningfromwithin.com



WINNING FROM WITHIN™ ONLINE VIDEO LIBRARY

To learn more about your "Inner Negotiators" visit our video library with practical coaching from thought leader Erica Ariel Fox on your "Big Four." See the Resources section of the website and select Video Library at www.winningfromwithin.com.



First Blog Posts from LinkedIn

by Erica Ariel Fox, LinkedIn Influencer

Get Out of Your Own Way LinkedIn | July 19, 2013



This piece originally appeared on LinkedIn: <http://linkd.in/Id9HU7F>



After a relentless push for the last six months, I finally found myself sitting on the couch last night, happily watching re-runs of House of Lies, and basking in the air conditioning.

Then the phone rang.

“Aren’t you going to answer it?” my husband asked.

“No,” I said. “I’m watching television.”

After a blissful twenty minutes of escape into TV-land, it happened again.

“Aren’t you going to answer the phone now?” he asked.

“I think it’s your sister.”

“No.” I said it more firmly this time. “I am finally relaxing. Leave me alone.”

And then, alas, before we got anywhere near the end of Season One. The ringing phone.

“I really think you should answer it,” he said.

And that was the last straw.

“YOU ARE RUINING MY EVENING,” I snarled. “WHAT IS WRONG WITH YOU?”

By then I was already off the couch and marching upstairs. By myself.

As I climbed the staircase I could hear his voice calling to me.

“Really? I am the one ruining your evening? Because I said you should answer the phone?”

And then, to sound all psychological, he added, “maybe you should look at your relationship with accountability.”

Uh-huh.

We slept in the same bed, but on opposite sides.

Let Peace Begin With You

As I lay in bed wide awake, wondering why I was fighting

with the man I adore most in the world, I recalled a song often sung around Christmastime. The well-known lyrics begin, “Let there be peace on earth, and let it begin with me.” Here I was, crossing my arms with my back to my beloved. Because he told me to answer the phone.

Let peace begin with me?

As a leadership advisor with nearly 20 years in the conflict resolution business, I had to laugh. These words are so much easier to sing about under the Christmas tree than to practice in real life. Let peace begin with me. Not just in December when it’s snowing, but tonight, during the heat wave, with my own spouse. Let peace begin with me, day-in and day-out, with the people I live with, lead with, and love in my daily life.

Hard as it is to do, letting peace begin with us is one way to get out of our own way.

Yes, I could’ve kept my arms crossed and sulked until I fell asleep. But my husband and I spend most of our time in two different countries. That would’ve been a shame, since he’s leaving tomorrow for a few weeks.

So instead I reached across the Grand Canyon between us, and touched his hand. “I don’t like you right now, but I do love you,” I said.

And then I tried a bit harder.

“I need you to let me unplug sometimes and shut the world out, or I’ll go crazy. But of course, I love you very much. No matter what.”

He accepted my olive branch and came closer. “I love you, too,” he said.

We were back.

Let peace begin with you.

It's not about writing a check at the end of the year. Or leaving your job to volunteer at an ashram. It's about what you choose to say and do in those small moments that happen all day long. When your associate fails to deliver his report on time. When your business partner blows the budget on things you find worthless. When your colleague tries to "pitch" a potential new client and you know it's way too early in the relationship. When your teenager comes home far past curfew. Or your husband interrupts an otherwise perfectly lovely evening of brainless television by telling you to answer the phone. Three times.

Yes, it's easy to blame other people for making us miserable. Sometimes they do.

But much of the time, we get in our own way, by giving up our own peace for stupid reasons. We can change that. Any time we want.

3 Questions to Ask Yourself in Those Moments of Truth

I've found three questions that help a lot to get out of your own way in these testy situations. It takes three seconds to ask them to yourself, and you get a lot of perspective, quickly.

1) Is it worth giving up my peace for this?

It's true that this annoying driver in her fancy Ferrari just cut in front of me. But is it worth giving up my peace for that? Should I give up the next hour of my life stewing about how evil she is, or just take a deep breath and make a choice to

protect my peace instead? I recommend the second one.

2) Would this matter if this person were in the hospital?

I really wish my husband didn't bug me about answering the phone. That's irritating. But God Forbid he got in an accident, and I waited in the emergency room to get word about his condition, would this matter to me AT ALL? In a word, no. It wouldn't. Not the slightest, tiniest, most infinitesimal amount. So actually, it doesn't need to matter that much now, either.

3) Is this who I want to be?

We can't be at our best all the time. But it helps in these moments to ask the simple question to ourselves, "is this who I want to be?" The pouting spouse in the bed with her arms crossed? The sarcastic business partner who demeans my colleague in front of other people? Actually, I want to be a loving wife, and a supportive business partner. If people let me down, or I feel angry, I can still step back and ask myself how I choose to behave. That's up to me. It's the choices we make in those day-to-day moments that, over a lifetime, create who we turn out to be.

Tonight is the last evening my husband and I will have together for a while. I've got my three questions ready at the tip of my tongue in case things take a wrong turn. But I'm no fool. I've also unplugged the phone.

Let peace begin with you.

Look Out! When the Visible Becomes Invisible LinkedIn | July 29, 2013



This piece originally appeared on LinkedIn: <http://linkd.in/I4nKcfQ>



"Clutter blindness" is a term for losing the ability to notice the sky-high piles on your desk or the hundreds of unread emails in your Inbox. Your eyes roll right past the piles, with barely a mental note that you're squeezing your laptop onto the farthest corner because that's the only space left on your desk. Functionally speaking, your clutter becomes invisible to you.

In general, the term applies to file folders and mail that you step around to get to your desk chair. Yet you can also develop a kind of "clutter blindness" toward the teams you manage or entire companies you lead. Powerful phenomena take place right before your eyes. But you don't

see them. What should be visible becomes invisible. Like the captain of Titanic steering in the icy North Atlantic, these are precarious waters for a leader to navigate.

Take Martin, the head of a business unit I advised a few years ago.

Martin invited me to work with his team because they weren't hitting their targets. Other units were picking up slack for them, which was not only damaging their internal brand but also creating hostility toward Martin from his peers. Something needed to change.

But what?

Now You See It, Now You Don't

I attended a few weekly team meetings and interviewed the executives. I also spent time around the office, quietly observing, looking around for places clutter blindness had set in. I watched for dynamics where the mess was so ever-present, it had long since stopped standing out.

Who even noticed the way the team conducted meetings, jumping from one topic to the next, never closing any issue before opening a new one? Why make note of the constant interrupting each other, the vague decision-rights, or the combative tone of conversation?

"That's just the way we work," Martin told me about his team clutter. "But what do you think is causing the under-performance of the business unit?"

Clutter blind. Dangerous.

The Mess of Managing People

A similar problem confounded Raj, a newly elected partner at a professional services firm. He'd made his way up the ladder as a standout individual contributor. But now he needed to lead more than projects. He needed to lead people.

People are a messy business.

Indeed, people working with other people create piles of clutter every day.

Difficult feedback that isn't shared. Clutter.

Resentments that aren't aired. Clutter.

Anxiety and confusion during company transitions that go unacknowledged. More clutter.

To an experienced manager, pent up frustration between colleagues that's near the breaking point, or widespread fear that's paralyzing the workforce, are as visible as a neon sign in the desert. They stand out.

Not for Raj.

By the time I met his direct reports, they were nearly buried by the team clutter that Raj couldn't see.

- "We have no idea what's going on."
- "He expects us to deliver but gives no direction. We can't read his mind."
- "We wait for him on the conference line for half an hour before we give up."
- "He took all the credit with the client. But the team had worked around the clock to produce that strategy."
- "I don't think he cares about my career at all. The only thing that matters to Raj is finding more clients for Raj."

Piles and piles of clutter on Raj's metaphorical desk. But he couldn't see any of it. He walked right past it every day without any of it catching his eye.

Clutter blindness. Not good.

You'll Get More Success When You Can See the Mess

What can you do about this common problem? How can you start to see things that you simply don't see?

Here are a few places to begin.

► FIRST, go looking for it.

Let me show you what I mean.

For five seconds, look around the room and then look back at the screen.

What did you notice in the room that's green?

Now, look around the room for five seconds, and *look* for things that are blue. Then look back at the screen.

How many things did you spot that are blue? How many more do you recall than things that were green?

Yes, you miss a lot of stuff when you're not looking for it. But amazingly, the minute you start actually looking for it –boom! There it is, hidden in plain sight.

► SECOND, ask other people what they see.

There's no law against asking for help. Consider the whole profession of people who'll help with the clutter in your bedroom closet. Other people can very often see the mess when you can't.

Think back to Raj. He couldn't snap his fingers and overnight have years of managerial experience. Fair enough. But he gained a lot of insight when he sat down with his direct reports at an off-site. He asked them how things were going. They painted a vivid picture for him that became quite clear in one day. New sight, overnight.

► THIRD, and here's the tough one, ask yourself what you're pretending not to see.

The hard truth is that sometimes you don't see the clutter because you don't want to see it. The implications are too painful. Or too uncomfortable. Best to look the other way.

Clutter? What clutter?

Let's say you have an employee who isn't adding any value. She's been with your firm for a while, and people are fond of her. The unspoken reality is known to everyone: she doesn't pull her weight. Her salary isn't the right use of overhead. You could do a lot better.

If you recognized the need to give her notice, your stomach would tighten and you'd feel terrible. Better to step around the mess and keep walking down the hall.

Although this mindset might save you some short-term

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pain, it's a losing strategy.

Think of the night crew on *Titanic*. Maybe they saw a few patches of ice here and there. Maybe they considered sounding the alarm bells. Then maybe they imagined the consequences, realizing those blocks of ice could signal large icebergs ahead. Maybe the thought was too terrible, the repercussions too frightening. So they didn't connect the dots, told themselves it was lots of loose ice,

and kept on going toward that fateful frozen mountain in their path.

So, if you want to see what's become invisible to you, ask yourself the question. The one that could reveal a pile of important papers or a long-lost treasure: what are you pretending not to see?

Want to Save Your Life? LinkedIn | August 23, 2013



This piece originally appeared on LinkedIn: <http://linkd.in/15RRQNr>



Reading a good book. Swimming at the beach. Surviving lines at The Magic Kingdom, so you can relish the unbri-dled joy when your child snuggles up to Mickey Mouse. Strolling through the Farmer's Market. Sleeping late. Bar-becues with friends in the backyard. Ice cream with fresh strawberries on a fire hot day.

These are classic images of the simple pleasures of summer.

As August threatens to slip through our fingers, and fall peeks around the corner, it's worth pausing to notice the difference between what we're enjoying now, and how we live most of the time. It's not over yet. We can still bask in the longer days of sunshine; still savor what John Travolta and Olivia Newton-John sang about so adoringly: "those summer nights."

Yes, we love our summer break.

Alas, that's partially because when it's not summer holi-day, we live so differently.

We work and live under constant pressure, with high tension, in an urgent world. Forget relaxed backyard bar-becues. We eat meals in the car while we lead conference calls. Sometimes it's okay. But then it's not. We know it's out of control when we're checking email in the bathroom. And who hasn't done that – at least once?

The way we work in the modern world is a mode psychologists call hyper-arousal. We describe it as feeling stressed-out, overwhelmed, burned out, lost or exhausted.

Put aside what this does to us emotionally.

On a purely physical level, the very systems that evolved to keep us alive, are now slowly but surely killing us.

What Do Overwork and Overdrive Do to Your Brain?

When we push ourselves hard, as most of us do, we send powerful chemical compounds around our brains and through our bodies. That ability evolved to meet a peak challenge of the moment, to keep us alive. This re-

sponse to high stress wasn't designed for day-to-day use. It didn't evolve to serve as a way of life.

Think about other kinds of emergency services. Police, ambulance, fire department. They are there for you in a crisis, like a heart attack, or a fire in your living room. But you don't call 911 every day of your life. They aren't designed for that. You call in an emergency.

What we do is dial 911 to our brains every day. And what else can an emergency system do than move into "crisis mode" when it gets the call?

At that point, neural networks made to protect us from danger start firing. Our amygdala gets into a tap dance with our adrenal glands, and we flood our systems with stress hormones like cortisol. That creates a powerful domino effect with all sorts of impact: increasing our heart rate, speeding up our breathing, messing with our metabolism, constricting our blood vessels, narrowing our perception, to name a few.

It's worth putting the brain and body through this Boot Camp for good reason. Like racing into the road to get a child away from oncoming traffic. But in our working world, we do this to ourselves every day. We put ourselves under crisis levels of stress as part of the ordinary course of business.

Not good.

Rest is not a luxury. It's part of survival.

What is our answer to the brutal grind of daily life?

Summer vacation.

Ah, yes. Summer. When we read novels and mysteries. Watch kids build sand castles. Sit in a hammock or get back on our bicycle. Delights of summer to be sure. But by themselves, a few weeks off to recover can't compensate for the non-stop pace we run the rest of the year.

Before saying goodbye to August, it's worth pausing to recognize an aspect of summertime that can save our lives: **rest.**

All Animals Need Rest to Live, Including Us

Animals survive through adaptation. They also survive because they balance periods of exertion with periods of rest.

Given the stress of modern life, our species needs to adapt the way we balance – or don't balance – rest with exertion. Generally speaking, we push as hard as we can for 10 or 11 months of the year, and then give ourselves a summer vacation and a week off at Christmas. We seem to believe that's a sustainable balance of high performance and renewal.

It's not.

Indeed, abundant evidence from neuroscience proves us wrong. You can't dial 911 to your brain every day and think you're not over-taxing the system.

Confirmation of the science comes from the training of elite athletes. My colleague and friend Tony Schwartz, co-author of a wonderful book, *The Power of Full Engagement*, did vast research with top-performing athletes. He found that high performance requires alternating periods of activity with periods of rest. And that conclusion extends beyond the athletic field. Tony writes:

"Balancing stress and recovery is critical not just in competitive sports, but also in managing energy in all facets of our lives. When we expend energy, we draw down our reservoir. When we recover energy, we fill it back up. Too much energy expenditure without sufficient recovery eventually leads to burnout and breakdown."

Without question, our brains need a break from crisis mode and our bodies need a break from exertion mode. Not just one month a year when kids go to camp and we get to linger over morning coffee. We literally won't survive this way.

La Dolce Vita?

Wanting to save your life is reason enough to balance effort with ease.

Wanting to *enjoy* your life is another excellent reason.

In the Western world, and certainly in America, we've come to see near-constant work as a way of life. Many societies strike a different bargain. We may have more creature comforts than they do. But are we happier? Is this "the good life?" Is this *your* "good life?"

As August starts to slip away, and the demanding days of fall make their presence known, we'll do well to remember the words of American philosopher Henry David Thoreau. He whispers to us from the past: "you must live in the present, launch yourself on every wave, find your eternity in each

moment." He invites us to see our lives in a bigger context, to keep those "urgent" messages in perspective. Implicitly, he tells us to save "crisis mode" for real emergencies.

Easier Said Than Done, but Doable

This all sounds right in theory. But what can you really do about it? How can you even start to change habits of living on overdrive?

Actually, there's a lot you can do. For example:

- **Appreciate cycles.** Nature is designed to work in cycles. Days follow nights, which follow days. Birds migrate as the seasons change. The moon waxes and wanes. You also need cycles: of activity and rest; exertion and renewal; work and play. Not just once a year. On a regular basis.
- **Put regular cycles of rest into your life.** You can start small. If you work every evening, or on weekends, try an experiment. Choose one night a week and commit not to work that night after dinner, unless it's urgent. Walk away from your computer every day for some period of time. Use that time for a real break, whether you talk with colleagues, walk outside, or send a warm text to your spouse. The point is, shift gears. Let the alarm systems in your brain sense things are okay, so they can calm down.
- **Learn what constant stress does to your brain and body.** Articles are everywhere that document the harmful effects to your health of stress as a steady-state. Find one, and read it. It's actually shocking to discover how we're shortening our own lives. Reading the stuff first-hand is a strong motivator to build some renewal into your routine of endless exertion.
- **Find ways to connect to your core.** Each of you has a core to who you are, what I call your "center of well-being." That core is more fundamental than your personality, your professional title, or your behavior. It's deeper than your thoughts, your emotions, your desires, or your impulses to take action. Countless practices and activities are available to help you connect to your center of well-being. Finding one that works for you and bringing it into your life is a tried-and-true path for "finding your eternity in each moment." ■

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HARVARD BUSINESS REVIEW: The Most Important Negotiation in Your Life

by Erica Ariel Fox



This piece originally appeared on Harvard Business Review: <http://bit.ly/17omXwA>

Life is a series of negotiations.

You negotiate all day, every day, from the time you wake up to the time you go to sleep.

Contract terms and conditions. Hiring, managing performance, and firing. Defining deadlines, scope, and deliverables. Collecting fees. Seeking alignment about business strategy. Enlisting stakeholders. Creating partnerships and joint ventures. Dissolving them. You make offers, counteroffers, and agreements to settle. You say yes. You say no. You stall for time.

Finally, lunch.

When you go home, the negotiations continue. Over buying a new car, switching carpool days, or how much screen time the kids are allowed. The stakes of negotiating at home can feel sky-high: which medical advice to follow; how much to spend or save; how long your aging parents can live at home; whether to stay together.

From the major to the mundane, negotiating is the way we get things done. One of my clients told me, "my toughest negotiations are with my dog."

If you're like most people, when you think about negotiation, you picture people talking to "the other side." Whether they're pitching to a customer in an office, brokering a peace deal at Camp David, or arguing over curfew at the kitchen table, negotiators are people trying to persuade other people of their point of view.

That's only half the story.

After nearly 20 years of teaching negotiation at Harvard Law School, and the same years spent advising and training thousands of executives, public sector leaders, consultants and lawyers from all over the world, I see things differently.

Actually, the most important negotiations we have — the ones that determine the quality of our lives and the impact of our actions — are the ones we have with ourselves. Learning to communicate well and to influence other people are essential skills in business. But even more fundamental to your success is learning to negotiate effectively with yourself.

Negotiating with yourself?

Yes. Better results, stronger relationships, and more of life's deeper rewards, all come from learning to negotiate with yourself.

At first this sounds strange. Can you talk to yourself without being crazy? Can you disagree with yourself? If you have an argument with yourself, who wins?

At the start of my leadership development programs, I ask people for examples of "negotiating with yourself." It's not hard to brainstorm a list once you think about it.

People usually come up with personal examples first: Should I eat the ice cream or stick to my diet? Make a scene with the garage for charging more than the estimate, or just pay the bill and move on? Should I raise that difficult topic today — or wait? Accept a "friend" request from my college nemesis, or have 25 years not removed the sting?

Soon, the list of topics grows more serious, and turns to work:

- My plate is completely full, but my boss just asked me to start a new project. There's no particular glory in it. Do I say yes to please her? What about ever eating dinner with my family?

- I want to approach my colleague who's back from bereavement leave, but then I tell myself it's none of my business.
- My client is pushing me hard to do something questionable. Technically speaking, it's not against the written rules. On the other hand, it feels a bit unethical. Should I say no?
- We're nearing our fundraising target, but we're not quite there. Our biggest donor said I could ask him for more money if we fell short, but I feel awkward going back to him again.

I suspect you're no stranger to this inner tug-of-war.

As you go about the ordinary business of every day, there are inner commentators competing for your attention. At times they speak nicely. But often their voices debate each other like hostile adversaries on talk radio.

I think of them as negotiating parties, what I call your "inner negotiators." Like actual individuals, these internal negotiators have a range of styles, motivations, and rules of engagement. They have their own interests and preferred outcomes. They also correlate with different regions in our brains.

Meet your inner negotiation team.

Leading mythologist Joseph Campbell described each of us as "a hero with a thousand faces." Mastering a thousand faces sounds a bit daunting. If you have all of these different sides of you, how can you even begin to get a hold on them, no less negotiate with them all successfully?

To help people develop in their leadership and in their lives, I honed in on a small set of those hundreds of faces. I call this group "The Big Four." Since I advise a lot of businesses, I sometimes describe the Big Four as a top team, occupying your internal executive suite. I also use more general names because their functions transcend professional titles.

The Big Four are:

The Chief Executive Officer: your inner **Dreamer**

The Chief Financial Officer: your inner **Thinker**

The Vice-President of Human Resources: your inner **Lover**

The Chief Operating Officer: your inner **Warrior**

These inner negotiators govern your capacity to dream about the future, to analyze and solve problems, to build relationships with people, and to take effective action. Each one enables you with its own skills, unique characteristics, and particular values about leading and living.

The Dreamer is led by intuition, and fuels your ability to innovate. Look at Jeff Bezos and the Washington Post. His Dreamer is strong, so he sees a world full of possibilities. Facing an industry others see as dying, Bezos senses opportunity to create something wonderful and entirely new. Or last week's remarkable commemoration of Dr. Martin Luther King, whose immortal words articulate the signature of the inner visionary, "I Have a Dream."

The Thinker is led by reason, and equips you to analyze and evaluate information. Larry Summers and Janet Yellen are final contenders to replace Ben Bernanke because they have strong inner Thinkers, respected for sound judgment on complex issues. Political baggage aside, they're first-rate economists who base monetary policy on hard data. The inner Thinker excels at challenges like managing interest rates and defining ways to control inflation.

The Lover is led by emotion, and knows how to manage relationships. International Monetary Fund Managing Director Christine Lagarde recently appealed to U.S. policy makers to deploy the communication skills of the Lover. She wants them to explain plans to safeguard global markets in light of changing American economic policy. The Lover's ability to get communication right is essential now to avoid a downward spiral in reactive global markets.

The Warrior is led by willpower, and excels at taking action. In the work world, the inner Warrior steps forward to tell the hard truth, to take a stand for your values, and to roll up your sleeves to get things done. Think of Meg Whitman, Hewlett-Packard CEO. She concedes that HP has a long way to go. And yet, she says time and again, she's facing the challenges with a results-focus. As she wrote in a blog, "I don't want excuses. I want action." Whitman's determined to turn a once-great company

"We need to use not only our utensils – our best practices and techniques – but also our deeper strengths and inner wisdom."

– ERICA ARIEL FOX
Winning From Within™



Our global team of *Winning From Within*™ trainers and coaches gathers in the Summer of 2013 to prepare for the book's launch. We look greatly forward to working with you and your organization in the months to come.

around by taking aim at the Warrior's targets: improving execution and operations; making tough calls to control costs; and telling the hard truth to investors until HP is fully back on track.

Despite the temptation to ask yourself, "Am I a Thinker?" or "Am I a Warrior?", those aren't the right questions. You have all of these inner negotiators in you. The right questions are:

1. How do the Big Four operate in me today?
2. How do I tap more of their skills and inner wisdom in the future?

3. How do I best balance them with each other, as four inner executives working as one team? In other words, how do I negotiate effectively with myself?

These are good questions whether you're managing a team or running a global organization.

At the end of the day, a company will find itself in trouble if it doesn't envision possibilities, can't formulate a nuanced perspective, fails to care for its people, or turns in lackluster performance. *This is true for you, too.*

The most important negotiation in your life is "getting to yes" with yourself. When you learn how to do that, you'll start winning at everything else. ■

See more of Erica's posts on Harvard Business Review:
<http://blogs.hbr.org/>



Forbes

Understanding Obama's Syria Negotiation—With Himself

by Erica Ariel Fox



This piece originally appeared on Forbes Leadership: <http://onforb.es/17Ox97M>

On Syria, President Barack Obama is surrounded by calls to action, taunted from abroad that he's too weak to act, criticized at home that he's too slow or too uncertain. On one level, he's facing a diabolical strategic challenge. That's obvious. On another level, a more subtle one, he's dealing with a tie-knots-in-your-stomach internal struggle. Because Obama, like all of us, isn't of one mind. As neuroscientists show us, human beings possess a "multiplicity of mind" that pulls us in different directions. One part of us says go right while the other points left. One says, "Strike back!," while another urges the prudent consideration of all options.

When he's ready to make a move, Obama will negotiate with the world. But first he needs to broker a deal inside of himself. For Obama, as for all of us when we face wrenching decisions, that can be the hardest negotiation of all.

What do I mean when I say that we negotiate with ourselves? Different activities of our brains give rise to different aspects of who we are. In day-to-day life these forces operate as team, but with unique priorities, interests, and values. I think of them as inner advisers, what I call our "inner negotiators."

After teaching negotiation at Harvard Law School for nearly 20 years, and over that time advising thousands of executives, lawyers, and public sector leaders, I can tell you that these inner parts of us work much the same way individuals do when they negotiate with other people. And many of the best practices for making deals and resolving disputes with other people apply to the negotiation within.

To help leaders get a handle on negotiating with themselves, I advise them to focus on a quartet of inner

negotiators, a group that I call the big four: the visionary Dreamer, the analytical Thinker, the relational Lover, and the practical Warrior. These labels may not seem obvious at first, but they cover four fundamental considerations for leading well: possibilities, perspectives, people, and performance.

To understand how the big four apply to leaders, we can imagine how each of them might tug on Obama these days. So let's go back to the President and Syria.

The Dreamer: Just a few months into his first term, President Obama traveled to Cairo to deliver a speech called "A New Beginning." He relished the chance to send a clear signal to the Muslim world: America is not your enemy. We can work together to create the world anew. Riding the powerful wave of hope from his first election, Obama's inner Dreamer saw a real opportunity for political repair, even healing.

I believe Obama's inner Dreamer still longs for this possibility. Not out of concern for his presidential legacy but from a deeper source. The inner visionary in all of us keeps our sight on the best version of tomorrow, despite whatever's happening today. I'd guess that Obama's Dreamer still wants to make the world of the future more collaborative and more peaceful, as well as more secure.

Whether you agree with his vision doesn't concern me. My point here is only to show how the inner Dreamer works, in us and possibly in the president.

The Thinker: While the inner Dreamer pines for a better future, the inner Thinker sticks to logic and cold, hard facts. The data simply aren't there for that dream: We aren't in a new era of mutual understanding and respect. If we issued an invitation to enter a world with

less violence, less extremism, and less bald hatred, that invitation was declined.

Obama's Thinker receives information every day showing how far we are from that vision. On certain days, his Thinker gets evidence that draws his analytical mind into focus on that conclusion. Like the day of the deadly attack in Benghazi that killed U.S. Ambassador Christopher Stevens. Or the days more recently when the world learned that Syria has used chemical weapons against its people. You can debate how or why those events happened, but you can't deny that the incidents took place. Obama's Thinker will demand that these facts on the ground figure into any decisions about how to act. He'll also need a clear chain of logic to try to understand the implications and consequences of what happens next.

The Lover: While all this is going on, Obama's inner Lover focuses elsewhere, on people. I'd imagine his inner Lover is split at the moment, torn between loyalty to two sets of people.

On the one hand, he is a citizen of the world. His Dreamer's desire to collaborate, whether in the Middle East or across the aisle in Congress, arises in part from a Lover's wish to forge alliances and relationships. Remember, this is the same person who declared at the 2004 Democratic National Convention that there are no red states or blue states, just the United States.

In that spirit, I'd expect that Obama's inner Lover wants to do right by the most vulnerable people in Syria. He's appealing to the international community as well as to Congress to abide by past commitments to protect basic human welfare. Republicans and Democrats agree that chemical weapons cross "humanity's red line."

On the other hand, Obama serves one member of the family of nations first and foremost: America. He works for the American people. He leads from their mandate. Whatever broad humanitarian impulses his inner Lover might feel, he also carries a fundamental loyalty to the American people. And a large majority of those people want to avoid military intervention. Notwithstanding calls

for U.S. action, his relationship to the American people is primary.

The Warrior: Then there's Obama's inner Warrior. This doesn't mean an inner negotiator who values armed warfare, though in this specific case that's on the table. The inner Warrior is the part of us that takes action and gets things done. Where the Dreamer muses about the future, the Thinker reviews data and forms opinions, and the Lover feels for people and taking care of them, the Warrior wants to seize the plan and get going.

People calling on Obama to act now are expressing the drive of the Warrior: Let's do something, and fast. Inner Warriors are baffled by his choosing to ask Congress for a green light and frustrated by his waiting 10 days for it to come back into session. The Warrior isn't about patient, considered action; that's the Thinker's job. The Warrior wants to get moving and keep moving until the job is done.

As the president charts a course in the days, weeks, and months ahead, all of these inner negotiators will make their plays to influence him. Like each of us when we lead, he may lie in bed at night hearing input from all of them. Then he'll need to weigh their input at his inner conference table and try to broker a deal.

Obama's Warrior knows he needs to take some action, and I don't doubt that he will. But this President's Warrior is not quick to act before consulting his other inner advisers. He'll want a plan that doesn't destroy his long-term dream, considers all of the facts with nuanced analysis, and meets his obligations to the American people while still protecting the common good. That is no small order.

At the end of the day, for President Obama or for any of us, great leadership comes from listening to all of the Big Four and finding ways to reach agreement inside oneself first. That makes all the difference between leading wisely and just acting quickly.

As we face the leadership challenges in our businesses, and in our lives, perhaps we can take a cue from Obama on how to reach a sound and durable agreement within ourselves. ■

“Winning From Within™ is about the voyage that we are all on: to stretch and grow, to live fully, to figure out who on earth we really are.”

– ERICA ARIEL FOX
Winning From Within™



Selected Leadership Reading

TILT

The Good Struggle

Tipping Sacred Cows

Civic Fusion

Forget a Mentor, Find a Sponsor

Entrepreneurial Couples

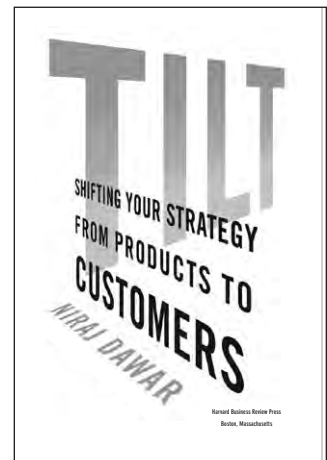
The Building Resilience Handbook

Tales of Awakening

TILT

by Niraj Dawar

“The tilt to downstream competitive advantage carries three implications that go to the heart of strategy.”



A downstream tilt leaves industries and the companies that play in them altered forever. As costs, value creation, and sources of competitive advantage tilt downstream, industry landscapes are overhauled: new forms of value are created, companies that seize new forms of advantage thrive, and those that don't scurry for survival or lag. For firms, the tilt implies change on multiple fronts, notably, changes in strategy formulation, the way firms are organized, downstream functions such as marketing and sales, and competition in global marketplaces. The changes are deep, widespread, and, for businesses with large upstream investments and a commitment to managing for the upstream, often difficult.

For over 250 years, sourcing, manufacturing, logistics, and technological progress have been at the center of business activity. All other business activities grew around this core. Strategically, business has honed skills to spot and capture upstream sources of competitive advantage, notably, scale and product innovation. Organizationally, companies are invested in systems that keep the upstream machine humming, processes that maximize throughput, and trained managers who worship the gods of efficiency. By now, your business knows what it takes to make and move stuff. The problem is, so does everybody else.

Still, many businesses are run as though the major fixed costs, the primary customer value, and the key competitive advantages reside in the upstream. These businesses continue to emphasize volume throughout and upstream efficiency. They think of product innovation as their key to a brighter future, often to the detriment of a

customer focus, a broadened understanding of customer needs, economies of scope, down-stream innovation, cost and risk reduction, and ownership of the criteria of purchase. Whether in response to shifting competitive pressures within the industry or to preemptively capture a first-mover advantage in your industry, if you're considering tilting your business, this chapter describes what it will take.

The tilt to downstream competitive advantage carries three implications that go to the heart of strategy. First, its locus is no longer within the firm, but resides increasingly downstream, in the marketplace, in interactions with customers. Second, firms have an opportunity to aim for more than merely sustainable competitive advantage; they can build accumulative competitive advantage. And third, the skills and resources required to make and move stuff can be bought or brought in, while those required to connect and engage with customers need to be owned and honed.

A CEO faces the task of steering his or her firm to generate returns that are above those achieved by competing firms. Whether the firm is a start-up looking to grow its business or a large company in a mature industry looking to extricate itself from bruising competition, it has traditionally sought advantage in better products or better ways of making and moving those products. In some industries, more-progressive firms have relied on softer forms of competitive advantage, such as people, proprietary processes (e.g., a streamlined ability to churn out new products, or a glass company's patented processes to develop ultrathin silicon wafers for

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the semiconductor or solar panel industries), or unique knowledge (e.g., an oil company's ability to find and develop oil fields). Each of these sources of competitive advantage carries the alluring possibility of shelter from competitors, provided, of course, that the advantage can be kept from competitors. But there is a catch: many of these advantages, or their end products, are now available for purchase on the open market. Better products can be designed and manufactured for you by third-party specialists—the same specialists who make stuff for your competitors. What's more, the efficiency and quality benefits of proprietary processes and knowledge are baked into the low costs of sourcing from specialist producers—for you, as well as for your competitors.

The tilt strategy urges the CEO to seek competitive advantage in the firm's interactions with the marketplace, in the networks with and between customers, and on the playing field inside the customers' mind. By asking fundamental questions such as "Why do our customers buy from us?" the firm brings the voice of the customer into strategy formulation. Uncovering the reasons why shows that the customers buy from the firm (rather than from its competitors) because it helps reduce their costs and risks. The CEO should be busy (1) seeking out more customers who value a similar reduction in costs and risks and (2) uncovering additional costs and risks that the firm can reduce for its existing customers.

A second implication for strategy is that you should expect more from your competitive advantage than you have become accustomed to. The best that strategists expect from their competitive advantage is that it will be sustainable—that is, they expect that for a reasonable period, competitors will be unable to copy it. The reasonable period could be a year or two in a fast-moving industry or a decade or two in a slower-moving one. But the expectation is that over time, the gap closes. Competitors catch up, technological change neutralizes your advantage, regulation or deregulation throws a wrench in the works, or disruptive start-ups find new ways of doing the same thing more cheaply. Eventually, however, even the most optimistic strategist expects even the most sustainable competitive advantage to erode. Competitive advantage is thought to have a half-life.

Of course, you might point out, competitive advantage has always had more going for it than mere sustainability. It has always had momentum. The very fact of having

a competitive advantage, particularly one that is widely known through the brand, attracts additional advantages. Google finds it easier to recruit better people than, say, Yahoo! does, because Google has a reputation as a leader in its field.

Suppliers quote lower prices to BMW than to competitors, simply for the privilege (and, presumably, the bragging rights) of doing business with it. Momentum means that the company's competitive advantage solidifies over time and wanes more slowly in the face of competition or the firm's own mistakes and mismanagement. Momentum means that advantage is the company's to lose.

But several of the case examples we have examined in the preceding chapters suggest a type of competitive advantage that goes even farther, beyond momentum: it is accumulative and accelerates over time and with experience. ICI's ability to accumulate data on quarry blasts and to use it to create more efficient blasts for customers gives the company an advantage in gathering even more data from customers' blasts. The more ICI has an advantage in persuading customers to share their blast data, the less its competitors have access to the data. The

Sustainability Check List

- ✓ Does your product or brand benefit from network effects? How can you foster network effects?
- ✓ What hypotheses about your brand or product do you set up for consumers to test?
- ✓ What confirmatory information do you provide consumers before and during their test of the hypothesis?
- ✓ How do you saturate the purchase and consumption environment with confirmatory evidence?
- ✓ What type of post-purchase information do you provide that confirms the customers' choice?
- ✓ How do you confirm and validate the value that the customers attach to your product or brand once they own it?
- ✓ How do you build your product or brand into a consumption routine? What do you do to facilitate the customers' routine?



“The beginning of love is to let those we love to be perfectly themselves and not to twist them to fit our own image. Otherwise we love only the reflection of ourselves we find in them.”

—Thomas Merton
No Man Is An Island

gap between holder for that type of competitive advantage and its competitors grows rather than shrinks over time. Similarly, as we saw in chapter 10, Facebook users share their data with the company because other users do. Network effects in data sharing mean that Facebook benefits from positive feedback loops in the uploading of user information, and competitors do not. Witness the difficulty that Google+, a Facebook competitor, had in getting off the ground. Despite a high initial user sign-up rate and the significant backing of Google, users were simply not uploading as much information to the site as they were on Facebook. The challenger's task is made even more difficult in the face of accumulative advantages because it not only has to close the gap with the leader that exists today, but must also close the additional distance that the leader will have covered by the time today's gap is closed.

Organizing to Deliver Downstream Value

A downstream tilt also entails several changes in the way firms are organized to deliver value. The first, and most telling, aspect of a downstream organization is the focus of management attention. Return to the question that opened this book: when you ask managers what business they are in, do they respond with a description of the product or means of production, or do they talk about their customers, the customer benefits they deliver, and their downstream advantage? In upstream-focused organizations, conversations and meetings dwell on products and aspects of production that managers believe distinguish them from competitors.

In downstream-focused organizations, the problems that preoccupy managers are about acquiring, satisfying, and retaining customers; about reducing costs and risks for customers; and about managing information that flows through the networks that connect the organization to its customers, and customers to each other; and about criteria of purchase. Importantly, these activities are not left to the marketing or sales departments, but pervade the organization. The downstream is too important to be left to the marketing and sales folks alone.

Cross-functional teams huddle to innovate the firm's downstream activities: to develop systems to reduce customers' costs and risks at each stage of interaction. The firm allocates budgets for the acquisition, retention, and satisfaction of customers, but it also invests in building

platforms that will make these activities more efficient for both the firm and the customer. Since managers manage what is measured, the tilted business uses yardsticks that focus on the market. Customer funnels, the costs of serving a customer, the costs of retaining one, the costs and risks that customers incur in doing business with the firm, the lifetime value and profitability of each customer, customer churn, revenue per user, and share of wallet form the basis for management discussions of strategy and tactics, and metrics of success.

The planning horizons in upstream firms are limited. As chapter 1 of *TILT* explains the strategic question that drives upstream-focused firms is “How much more of this stuff can we make and sell?” Organizationally, this often translates into a planning horizon that is tied to the life cycles of products. Resources are allocated to products according to their life cycle stage, with the strategic goal of maximizing volume throughput during the finite life cycle. A portfolio of products helps balance overall corporate performance by blending the ups and downs of multiple life cycles. Product teams may attempt to extend the life cycles of their products through product innovation and pricing, but despite their best efforts, the horizon remains finite: everyone knows the product’s life will eventually come to an end, either because it will be superseded by other products within the product category or because the entire category will be rendered obsolete by another.

Downstream firms, in contrast, are driven by a different strategic question: “What else do my customers want?” Inherent in this question is the implication that the company’s core competence resides in its ability to understand customer needs and to do whatever it takes to fulfill them, even if the needs stray from the products the company currently makes and sells. In other words, strategy is anchored on customer needs, rather than on the firm’s products or production facilities. Such a strategy is more flexible by design: it follows evolving customer needs.

If the needs stray from the current product portfolio, the company will find the resources to deliver for those changed needs. Organizationally, this means recognizing that a company cannot do everything: contracting with outside suppliers is common, and the formation of alliances is critical. A downstream firm sees itself at the nexus between a range of possible suppliers on the one

hand and the customer segments that it knows intimately and that trust the company to deliver value on the other.

The planning horizons of downstream firms are tied to market segments (a group of customers that have the same need and buy using similar criteria of purchase) rather than to products, and hence look out to infinity. As segments shift or as their needs evolve or are fulfilled differently, the company adapts. Note the similarity of this ideal with what Ted Levitt envisioned fifty years ago: railway companies that see themselves as fulfilling transportation needs rather than as being in the railroad business are more likely to be flexible and less dogmatic about how those transportation needs are fulfilled. They are not bound to their physical track and rolling-stock infrastructure; nor do they see rail as the only means of fulfilling customer needs. If a focus on customer needs sometimes means jettisoning legacy products, outsourcing production, moving into new industries, and mergers and acquisitions, as necessary, to serve the customers, then firms should be prepared to do. Apple, after all, was an outsider to both the music industry and the telephone handset industry. It established a position in both industries because it saw that customers could be better served than they were by existing companies.

Product innovation, a mainstay of competitive advantage for the upstream-focused firm, is not immune to the downstream tilt. In the downstream, product innovation, like production, is subservient to the primary source of competitive advantage—the customers’ needs—and consequently must respond to very strict criteria of flexibility and usability. These criteria may be better met when innovation itself is contracted out rather than run in-house.

Silicon Valley exemplifies a model of outsourced product innovation that, counterintuitively, speaks to the importance of the downstream. Large, well-established firms in Silicon Valley focus on building markets and connections to customers, while outsourcing R&D and product development to smaller, nimbler firms. Sometimes, the venture-capital arms of the larger firms take a stake in these smaller firms, but often, the larger firms leave this risk to third-party investors. They only step in when the start-up has proved its concept or, better still, proved that it can generate revenue. Then they may take a stake in the start-up as a means of locking up

If someone were to offer me one single piece of evidence to evaluate the health of an organization I would want to observe the leadership team during a meeting.

If an organization is tolerant of everything it will stand for nothing.

If the best way to ensure that a message gets communicated throughout an organization is to spread rumors about it, then leaders simply ought to go out and tell "true rumors"

-Patrick Lencioni, *The Advantage: Why Organizational Health Trumps Everything Else in Business*

the technology or acquire the entire firm so as to scale it to their market. Alternatively, large firms may simply license-in the start-up's technology, knowing that regardless of which party owns the technology, they have a hold on market access. This model of out-sourced product innovation is gaining ground in other industries as well, following a downstream tilt. Examples include pharmaceuticals and even consumer goods and automobiles.

Unsurprisingly, downstream-focused firms are not wedded to their technology. As technological cycles come and go, customer needs remain these firms' defining axis. The firms are able to weather technological shifts better than upstream-focused firms. Had it followed a downstream tilt, Kodak might still have been in business if it had leveraged its brand to move consumers to digital technology, rather than attempted to use its brand to slow the shift. Similarly, Sony would have been delivering consumer entertainment over the cloud a decade ago, and BlackBerry would have led the touch-screen revolution in smart-phones. For downstream players, technological shifts provide an opportunity to move customers to new criteria of purchase—to establish pole positions on these criteria. As a result of their focus on customer needs, the planning horizons of downstream-focused firms are practically infinite: as long as the customer segment exists, the firm will serve it.

The product range of a downstream-focused company is wider for two reasons. First, the downstream company attempts to offer complete solutions rather than stand-alone products to reduce the customers' costs and risks of purchase, consumption, disposal, and renewal. Often, this means both offering at least the option to purchase complementary products and offering services that will help reduce the costs and risks of purchase and use (e.g., search and consideration, purchase and installation, delivery, learning and training, service, maintenance, and disposal). The second reason that downstream-focused offerings have a broader range is that the firms ask what else the customer needs. They are trying to amortize the fixed costs of building trust and a favored relationship with the customer: they seek economies of scope as much as upstream players are obsessed with economies of scale.

Downstream-focused businesses tend to be multipronged. They have more points of contact with the customer throughout the organization.

Customer contact is no longer the monopoly of marketing and sales departments. In a business-to-business setting, the accounting department can learn about an international customer's need to receive invoices in a format that matches some particular cost-accounting needs. A minor change in the way invoices are presented



saves the customer hours of data reentry. The logistics and shipping department engages with the receiving department at the customer end to integrate product flow. The purchasing department finds packaging that fits the stacking requirements in the customer's warehouse, reducing the customer's breakage and inventory-holding costs. Customers' costs and risks are reduced through each of these multiple points of contact.

Yet traditional firms, and in particular their marketing and sales departments, are often reluctant to allow too many points of contact. The reasons are obvious: they are trying to avoid the chaos of conflicting promises being made to the customer, and they want to make sure the customer gets a consistent and coherent message. That is an admirable reason to channel communications through a single point of contact, provided that the single point can indeed quarterback the entire relationship. In other words, can this point of contact identify opportunities to reduce costs and risks across the entire spectrum of activities and drive the various departments within the selling organization to deliver solutions that match customer needs? If marketing and sales departments take on this responsibility, they need to do much more than meet sales quotas and build and track brand performance.

They need to take charge of the entire customer relationship, which includes the development of enduring solutions that reduce the customers' costs and risks of interacting with the firm.

Many multinationals expect more than half their revenue growth to come from these markets over the next ten years. The companies are investing in a downstream infrastructure, including brands and data, to serve these emerging customers. As they do, local firms in these emerging markets are also rapidly developing an appreciation for the importance of downstream activities both as a competitive tool and as a source of lasting competitive advantage. That appreciation and the growth in downstream activities by emerging-market companies will further blur the geographic specialization of upstream and downstream activities—a separation that has characterized the global competitive landscape over the last thirty years. With this change, the downstream will become the primary competitive battleground in emerging markets.

For all firms around the world, the implications are clear. The competitive playing field to watch is the downstream. Your competitive advantage needs to be built and sustained in the marketplace, in your interactions with customers. The starting point for winning on this new playing field is to ask, why do your customers buy from you? ■

The Good Struggle:

Responsible Leadership in an Unforgiving World

by Joseph Badaracco

Evolving Commitments

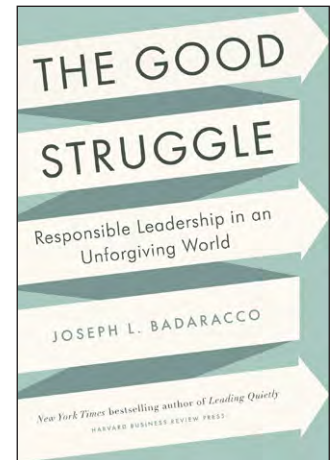
In a recombinant world, responsible leaders can hardly abandon the classic approach to critical decisions. Analysis still matters—even if it only produces rough estimates, broad parameters, and ranges of possibilities—because the alternative of operating on instinct is reckless when the stakes and uncertainties are high. And bosses haven't disappeared and won't, because someone still needs to make final decisions. Napoleon's adage that "One bad general is better than two good ones" continues to reflect important lessons about human nature and effective leadership. There is, however, a powerful reason for an alternative approach in turbulent, uncertain, market-driven environments: in essence, there is a great deal that leaders cannot anticipate, and some surprises can be deadly. During his early years, when John D. Rockefeller was just another unknown oil field entrepreneur, he gave himself a nightly sermon with the reminder, "But suppose the oil fields ran out." More than a century later, other entrepreneurs had similar worldviews. Andy Grove, one of the founders of Intel, is famous for saying, "Only the paranoid survive." And Herb Kelleher, the founder of Southwest Airlines, was once said to have forecast eleven of the last three recessions, because he was so vigilant about the risks to his company. In fact, empirical studies suggest that pessimistic entrepreneurs outperform their optimistic counterparts.

In a turbulent, sometimes dangerous world, responsible leaders need a broader view of critical decisions. This means viewing these decisions as commitments, but in an unconventional way. We typically think of commitments as deep, abiding pledges that individuals and organizations will do absolutely all they can to make good on.

In contrast, the kind of commitments that matter critically today are paradoxical: they are evolving commitments. An evolving commitment is a pledge, by a leader and an organization, to move in a particular direction, but to do so in a flexible, open-ended way. High-stakes, high-risk, once-and-for-all decisions—the contemporary versions of the "big factory" decisions—are sometimes unavoidable, but evolving commitments are far better suited to a world in which leaders are immersed in a stream of possibilities, surprises, opportunities, and deals in the active, fluid markets that surround and pervade their organizations. Commitments require data, analysis, and experienced judgment, but, all too often, these are far from decisive.

In more and more cases, when leaders make critical decisions, they are not choosing among specific, detailed options, each supported by in-depth analysis, nor are they expecting to implement the option they choose in a familiar, predictable, or managed environment. All they are doing is making an initial choice, for themselves and their organizations, among broad, flexible, open-ended directions. This initial direction will evolve, sometimes dramatically, in response to what is learned from first steps, hard-to-predict developments in the churning, recombinant markets around companies, and reactions in the markets for funding, talent, partners, and meaning.

Evolving commitments have always been central to entrepreneurial success. Leaders of new organizations have never been able to see very far into the future. They have usually been surrounded by intensely competitive, often turbulent markets—a far cry from the buffer zones and spheres of influence surrounding the large twentieth-



Reprinted by permission of Harvard Business Review Press: Excerpted from *The Good Struggle: Responsible Leadership in an Unforgiving World* by Joseph Badaracco. Copyright 2013. All rights reserved.

century hierarchical organizations. They typically didn't know whether their product would work, what it would really cost to make and sell it on a large scale, whether a large, established firm would copy it or use influence with government to create obstacles, whether other entrepreneurs were on the brink of introducing something similar or better, and whether they would even have enough cash to operate beyond a few months.

Under conditions like these, all a responsible leader can do is whatever analysis is possible, commit to moving in a particular direction, carefully plan the immediate next steps, work hard to learn from execution and experiment, seize opportunities along the way, and be prepared to recalibrate an organization's efforts, again and again, to match emerging realities. Decision making has to be as fluid as the markets around an organization. Instead of periodic big decisions, responsible leaders make or orchestrate an unending series of smaller ones—all aimed at some larger, broad, flexible objective. Gary Mueller, the founder of ISI Emerging Markets, which provides hard-to-get information on companies in emerging markets, said, "You have to make decisions because indecision is a decision. So you say this is the direction we're going in, but you're constantly asking if you're doing the right thing and adjusting what you're doing." In a world of heightened hazards and uncertainty, leaders who make commitments to other parties are basically saying, "This is the overall direction we plan to pursue and this is what we specifically plan to do and accomplish in the near future, but a lot will change, perhaps dramatically."

Commitments are serious pledges. They have real legal and ethical weight, and responsible leaders and their organizations work very hard to make good on them, but these commitments, in a recombinant world, are inescapably flexible and fallible. The bolder the initiative or the more turbulent the environment, the more appropriate and inevitable these types of commitments are. From a broader perspective, an organization today is not simply what Michael Jensen and William Meckling called—in an insightful and widely cited phrase—a "nexus of contracts." It is also a nexus of commitments, and sophisticated parties understand this from the start. There is often too much uncertainty and turbulence in market-driven economies to rely on contracts and contingencies to specify who will do what and when. Without ongoing, flexible adaptation, entrepreneurs and the market actors

who support them would have only one shot at success, and this would typically be a shot in the dark, given the many uncertainties new ventures face.

...In other words, entrepreneurs can raise their chances of success by gathering data, studying customers and their industry, trying to assess likely competitor moves, and trying to understand where and how they can best focus their limited resources. At the same time, however, they have to keep their thinking loose, broad, flexible, and revisable.

Next Right Steps

Leaders rely on evolving commitments for three practical reasons. First, they can. Knowledge-based organizations are more flexible than traditional manufacturing firms with dedicated factories, and firms that sell products today can rely on outsourcing and flexible factories to "produce" them. Second, they often have to. A wide range of actors are typically involved in monitoring and shaping an organization's decisions; these parties want a say in what the organization does, and their own agendas are continuously evolving in response to the continuously shifting, sometimes turbulent markets around them.

The third and most important reason for leaders to rely on evolving commitments is that they should. Responsible decisions should not outrun visibility, and, in a recombinant world, it is hard to see much of the future. In addition, there is a great deal to be learned from execution, experiment, and actual experience. Finally, going step by step provides people inside an organization and all the parties in the multiple markets around it with clear, immediate objectives and even metrics.

This enables all these parties to concentrate their efforts, focus on meeting specific objectives, and not be paralyzed by endless possibilities. The greater the uncertainty, the more important it is for leaders to provide a clear path, even if it is almost certain to be adjusted and readjusted, to enable others to commit, plan, and work with a strong sense of confidence.

What counts as a "right next step"? It is a task, a project, or an assignment that is clearly defined, doable, and has a significant probability of contributing to a larger, longer-term aim—as that aim is currently defined. The right next step, in many cases, also takes two lessons from modern finance. First, it opens up options for subsequent steps. Second, it gets the risks right. In other words, high risk,

low-reward activities—however bold and exciting they may sound—are rarely the right next step.

In addition, in a knowledge-based world, the right next step often serves as an experiment. That is, it creates knowledge that can be used to plan subsequent steps or even test and adjust the larger aim. The great industrial companies of the last century developed long-term strategies and sought to execute them as efficiently as possible. Now, in a knowledge-based economy, “execution as learning” is becoming much more important. A clear example of this approach is the staged investments that venture capital firms make in new businesses. Each round of investment depends on whether an entrepreneur and an organization have met a set of shorter-term objectives and metrics. If they haven’t, they need persuasive explanations of what happened, what they would do differently the next time, and why another approach is likely to work better. The critical challenge in many successful entrepreneurial ventures is repeatedly hitting a series of short-term targets under the pressure of limited cash, close scrutiny from market players, and a serious prospect that failure will reduce financing or lead to new leadership or both.

The “next right step” approach reflects the observation of Professor Lynda Applegate, who has studied and worked with entrepreneurs for three decades. She said, “All I know is that many initial assumptions are wrong, and the questions that must be answered are, how important is the assumption to the success of the business, how can I experiment to learn more, and are there other options I could pursue?”

In short, the bold, strategic decision maker is giving way to the responsible, intensely committed orchestrator, pragmatist, and deal maker. These men and women are skilled at seeing patterns in the fluid markets around them and working with a wide range of parties to adapt, shift, and recombine, all against the background of a broad strategic direction. More broadly, responsibility is becoming a hard-to-forecast trajectory. Commitments evolve, like a perpetual campaign or a floating craps game, as leaders strike a series of bargains with a range of different parties in a wide range of markets and then make good on these bargains or fail to do so. In either event, they then make new commitments and bargains, and the cycle of commitment and adaptation continues.

Faith, Humility, and Restraint

When leaders rely on evolving commitments to make

critical decisions, they have to wrestle with a hard problem, one that challenges them intellectually, emotionally, and pragmatically. And it is a surprising problem, because it involves two traits—faith and humility—more typically associated with religion than business and management.

Responsible leadership in a turbulent, entrepreneurial world involves a deep commitment to an imagined future. Shikhar Ghosh, who has served as the founder, CEO, or chairman of eight technology-based entrepreneurial companies, described the commitment this way: *You need a core of faith. This faith matters to the organization and the entrepreneur. Entrepreneurs have to believe so they filter away contrary information. They have to be the driving force and so they see things and present things in the best possible light. In a new company, the basic proposition is in doubt at all times, and you’re also asking for a lot of sacrifice from everyone. You have to convince yourself and feel you are honest about your belief, because you can’t feel like a liar and convince others.*

Faith is a deep confidence that an opportunity is real, that a leader and team have the skills to seize it, and that success in this effort matters profoundly. This faith underlies the broad range of commitments that leaders make and helps them move forward in the face of inevitable adversity, disappointment, frustration, and a high chance of failure, and it enables others to do the same. Entrepreneurial activity, in companies of all sizes and in all organizations, always involves a leap of faith, a deep personal commitment to an imagined future. Robert Higgins, the cofounder and general partner of Highland Capital Partners, observed, “People are deciding whether or not to buy a belief.”

Faith and deep commitment are crucial from the earliest stages of an evolving commitment, because commitments evolve and can fail at many points along the way. Leaders need the courage to face ongoing uncertainty, what at times feels like overwhelming complexity, and—no matter how high their hopes—a decent prospect of failure. Committing an organization to a particular direction—with a full, imagined understanding of what success and failure, for the leader and others who depend on an organization for their livelihoods, could mean and the inevitability of surprises and frustrations—takes real courage.

Uncertainty and fluidity create opportunity but also bring the real and ever-present prospect of failure. This is particularly true when a leader and an organization are committed to a path that significantly departs from the



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conventional wisdom. The fear of failure is easily intensified by the mental and physical stress of the job. When many of an organization's critical assets are mobile, leaders need to be vigilant and active to avoid losing them. When competition is tough and returns are low, organizations are more fragile and vulnerable, as are leaders' jobs. When the decision process is continuous and involves outside parties and partners, new complexities arise. All these can make leadership and decision making a long slog, which is why commitment and everyday determination and courage are central for responsible leadership today.

The risk of deep, faith-based commitments is that they will keep a leader focused on a specific goal and a way of achieving it, regardless of what is happening around him or her. Stopped clocks are correct twice a day, but are badly wrong the rest of the time. So what keeps an intense commitment from being a private, compelling, and ultimately futile fantasy?

Shikhar Ghosh explained how to reconcile faith in a vision with realism with a surprising metaphor. “Entrepreneurs are like guerrilla fighters,” he said. “They know the odds of defeating the enemy are low and that the casualty rate will be high and the jungle is miserable, but they have a gut belief that they can win and, more important, like guerrilla fighters, they are constantly adapting to what they experience and learn.”

Responsible leadership in a market-driven world demands commitment to a vision and core values—as well as a complex form of self-management, in which humility and restraint play a critical role. Leaders have to simultaneously understand what is really happening around them and respond to this reality, while remaining deeply committed to longer-term and possibly evanescent possibilities. This is, perhaps, the fundamental, underlying, pervasive struggle for responsible leaders today. Faith can blind leaders to reality, but reality can eviscerate faith. Responsible leaders need both

“Responsible leadership in a market-driven world demands commitment to a vision and core values—as well as a complex form of self-management in which humility and restraint play a critical role. Leaders have to simultaneously understand what is really happening around them and respond to this reality, while remaining deeply committed to longer-term and possibly evanescent possibilities.”

and hence must live and work with the permanent tension between them.

In the middle of the global financial crisis, the CEO of a major bank was listening to a young banker present an analysis of a complex portfolio of securities. At one point, the CEO interrupted and asked whether they were talking about the difference of 15 percent or 15 basis points. With his question, the CEO revealed to everyone in the room how little he understood about at least one aspect of the presentation.

What is striking about this story is that the CEO had an extraordinary record of accomplishment and successfully guided his bank through the crisis. He was also widely viewed as an extremely intelligent, hands-on executive. Nevertheless, he was willing to show everyone in the room that, even though he was a “master of the universe,” as Tom Wolfe memorably

described investment bankers in *The Bonfire of the Vanities*, there were things the CEO didn’t understand and wasn’t embarrassed to ask about. By doing this, he set a valuable example of the courage of humility and restraint.

These two traits are particularly important for making critical decisions responsibly, particularly when these decisions are evolving commitments and the men and women making them are struggling with intense, always on accountability and market pressures. Humility is an attitude that reflects how little leaders sometimes know about the complex, uncertain world surrounding them. Restraint then takes humility and puts it into practice. It means moving patiently, carefully, and analytically, rather than boldly and confidently.

This may be a surprising perspective on making critical decisions. A common but misleading view of entrepreneurs sees them as courageous because they eagerly embrace critical, high-stakes, high-risk decisions and then move forward, boldly and fearlessly. In other words, entrepreneurs are unfazed by the risks of critical decisions and even eager to take them on. But this romantic view has two serious problems.

First, it fails Aristotle’s classic test of courage. He didn’t simply ask if a leader was moving ahead boldly. His question was whether a leader was balancing boldness with prudence, because ignoring or courting risk and danger is mere recklessness. For Aristotle, courage was a golden mean, a hard-to-achieve midpoint between the hazardous extremes of reckless bravado and enervating caution. In other words, serious commitment is revealed in calibration and, over the long haul, requires frequent adjustment to maintain a balanced approach and avoid dangerous extremes. Aristotle was hardly alone in thinking this way. In the Eastern tradition, the *Tao De Ching*, an ancient Chinese text that served as a foundation for both Buddhism and Taoism, says, “Whoever is stiff and inflexible is a disciple of death. Whoever is soft and yielding is a disciple of life.”

This classic perspective is confirmed by contemporary observations of successful entrepreneurs. The familiar charge-the-hill view of these men and women distorts how they actually think about risk. Entrepreneurs may have more tolerance for risk than big-company executives, but the reality is that successful entrepreneurs, in both big and small organizations,

assess risk carefully, assume it only if the payoff seems right, and then look for ways to reduce or share the risks without significantly changing the payoff.

Why are modesty and restraint particularly valuable in an entrepreneurial world? The basic reason is that they help leaders address an uncomfortable but central challenge to success: their significant, inevitable, and evergrowing ignorance. The faster the world changes and the more complex it becomes, the less anyone—including the most brilliantly endowed leaders—really understands what is going on around them and understands what the future will bring.

Humility and restraint help remedy the challenge of ignorance in several ways. First, they encourage leaders to open their eyes and learn all they can. The bold, self-designated geniuses that have compelling visions of the future are much less likely to listen sensitively and observe acutely. In contrast, leaders who understand that they have few of the answers—and sometimes don't know if the answer is 15 percent or 15 basis points—are more likely to really understand that others around them, inside and outside their organizations, can hold critical puzzle pieces. An evolving commitment is, simultaneously, a decision process and a learning process for leaders and organizations, and modesty and restraint accelerate their learning.

Humility and restraint also encourage leaders to “buy insurance” against their ignorance, fallibility, and risks. This insurance isn't free, but it protects other people, to a degree, against harm and suffering in the event of bad surprises. This insurance can take several different forms. It involves trying hard to break big decisions into small phases and using each phase as an experiment and a learning opportunity. It means going step by patient step, rather than by leaps and bounds, and disclosing results to others to get feedback. It means trying hard to avoid committing much further than a leader can actually see. And it means remaining vigilant for surprises, problems, and opportunities to accelerate efforts.

“Buying insurance” even means relying on a widely criticized way of making decisions—by taking a short-term and finance-oriented perspective on them, both of which are important to making calibrated, evolving commitments. The short-term focus asks who needs to do what is clear, doable, but initial steps toward making good on a larger, longer-term aim. At the same time,

it means asking a basic question from modern finance, What options will these initial steps create and what options will they foreclose?

This is the reason start-up firms are strongly advised to conserve their cash, because cash is an all-purpose insurance policy against surprises. But options aren't solely financial. In fact, the crucial ones are options to experiment, learn, recalibrate, modify commitments, and open up new options.

The histories of the great entrepreneurs show them working patiently and persistently and often struggling hard to grasp what they don't know yet badly need to know to make good on their vision. John D. Rockefeller and Andrew Carnegie are now often remembered as industrial titans presiding over the vast empires known as Standard Oil and U.S. Steel. But they began their careers as entrepreneurs, building businesses in an era at least as turbulent, confusing, and dangerous as ours today.

What the two men had in common was the same approach to dealing with the complex and constantly shifting fundamentals in their industries—and, perhaps, with the anxieties and fears they felt. They gathered the best hard data they could, though it was often scant, and then they immersed themselves in whatever uncertainties were critical to their businesses and worked relentlessly to understand the areas of uncertainty, analyze them, and get a feel for how they might evolve. This runs completely contrary to the experience of veteran entrepreneurs and those who fund them. Professor Howard Stevenson, whose career involved forty years of studying, working with, and investing in entrepreneurs, observed, “Ninety percent of the crazy passionate entrepreneurs that I've seen end up failing.”

This approach to critical decisions—relying on evolving commitments, humility, and restraint—can feel more like shirking responsibility than taking it, and it can feel deeply unsettling to individuals who think that leaders are supposed to be bosses, making big decisions and then pushing their aggressive implementation. But in an uncertain, fluid world, the most responsible approach to a big decision is often delaying or trying to break it down into smaller decisions—to keep options open, reduce the risk of any single decision, and learn as much as possible from experience and experiment and from a wide range of



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parties inside and outside an organization.

Put differently, what responsible leaders often need today is the courage to make “bad decisions”—at least as viewed from the twentieth-century perspective. These are short term, provisional, and open to revision. They are the best bets available for moving an organization in the right direction, in the face of what mathematical modelers call “computationally intractable” problems. This is a world that often resembles a giant pinball machine: events in one market surrounding a firm can trigger complicated chains of events in other markets, and then these events can trigger still others.

The only real antidote to these hazards is making critical decisions with humility and restraint. This is the spirit of the traditional prayer of Breton fishermen, “O God, the sea is so vast and my boat is so small.” Sometimes, fallibility means things work out better or differently than expected. Sometimes, it

means missing warnings and dangers because everything looks good. But getting critical decisions right, when they take the form of evolving commitments, is particularly challenging. In the end, leaders make the important decisions, and this is their responsibility. But they do so at various points in a long process of evolving commitments that responsible leaders shape and guide with both a compelling, exciting, sometimes bold direction and the courage to move forward, despite abiding vulnerability, and to act with prudence, humility, and restraint. ■



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“To create meaning in our working lives we need to believe in the value of what we do. This does not deny the value of monetary reward but it does indicate that brand ideas have to make an emotional appeal to our larger goals as human beings. For this reason, the most significant brands have strong emotive elements. They tap into our need to feel good about what we do, to build our self-esteem and our ideas of self-actualization. These “big ideas” provide an arena within which employees can innovate.”

Nicohlas Ind, *Living the Brand*
How to Transform Every Member of Your Organization Into a Brand Champion

Tipping Sacred Cows

by Jake Breeden, Leadership Consultant

As part of an action learning program at one of the largest, most successful companies in the world, a team of high potential young managers presented a plan to an impatient senior executive. When the team got to a chart labeled “Number of Libraries in China,” they paused.

“We’ve been unable to determine,” said the group’s leader, “how many libraries are in China. Without that information, we can’t say at this time if we should move forward.”

This was a few years before Wikipedia made it easy to come up with a rough estimate. Still, the executive wasn’t impressed. “We didn’t get where we are today by being timid,” he said. “We can’t be cowards. Have the guts to make an educated guess and move on.”

The junior team had been paralyzed by their need for accuracy. It hurt their reputation and slowed their company’s progress. Excellence is a fine destination. But on the way there, beware of the paralyzing perfectionism that hides out inside the ready-made excuse of high standards. Instead, make your rough drafts rougher on your way to producing a finely polished final product.

Corporate vices, like perfectionism and cowardice, hide under the cover of noble causes. Vice takes root inside virtue and spreads like undetectable cancer. Leaders must disentangle vice from virtue and recognize when they, or those they lead, have used honorable aspirations to excuse bad behavior.

On an [HBR IdeaCast](#), Ed Catmull, president of Pixar, describes the leader’s role in creating a culture that encourages risks and rough work on the way to excellence in the end. “The animators show their incomplete work to each other every day...people naturally have a tendency to not want to show incomplete work, especially to colleagues who are considered the best in the world. But the truth is, if you show your incomplete work and everybody does it, then you get used to it, and cease to be embarrassed by it and actually become more creative.”

Excellence is one of the seven virtues that can most

readily be used to excuse bad behavior at work. They’re right there when you need them, waiting to justify unhealthy vices that waste energy and time and lead to poor results and unfulfilled potential. The full list:

1. Balance hides indecision
2. Collaboration hides unaccountability
3. Creativity hides narcissism
4. Excellence hides cowardice
5. Fairness hides spite
6. Passion hides obsession
7. Preparation hides insecurity

Creativity and Fairness

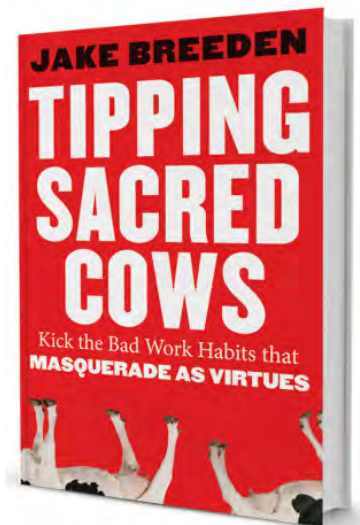
Creativity requires the elimination of perfectionism. But creativity, while sometimes a worthwhile cause, can hide a vice of its own: narcissism.

Imagine you come up with a new idea for which your boss takes the credit. You seethe. You try to let it go. But when a co-worker shares a new idea with you, you decide it’s finally your turn to get some credit.

As you pitch your colleague’s idea as if it’s your own to your boss’ boss, you tell yourself two stories. First, it’s only fair. Apparently this is how things get done around here, and, having learned the rules, you’re merely playing the game. Second, it’s creative. You’re suggesting an idea even newer than the one your boss recently took from you. New is better than old. Change is good, even though this new idea is about your needs, not your organization’s.

You don’t have the courage to call your boss out on what he (or she) did, and you want to buttress your reputation as an “idea person.” So you hide behind fairness and creativity as you engage in spiteful, self-oriented actions.

Creativity can hide narcissism, and fairness can hide spite.



Collaboration and Balance

The global market share of RIM, the Canadian maker of BlackBerry, sank from more than 20 percent in 2008 to less than 5 percent in 2012. That's a stunningly rapid decline for a company that Fortune once described as the "fastest growing company in the world." Two men shared the CEO spot during RIM's dramatic tumble from greatness: Mike Lazaridis and Jim Balsillie. "This co-CEO structure is almost a guaranteed model for failure," Dartmouth Business School Professor Sydney Finkelstein told [NPR's Morning Edition](#). "It hardly ever works. It makes it difficult to know who is in charge and I think that slowed down their ability to adapt to competitors."

When you collaborate with someone, you must also be accountable to them. And you must hold your collaborator accountable as well. Without this clear accountability, collaboration becomes an excuse to avoid responsibility. Just as fish school together in a bait ball when a predator approaches, workers hide out in teams and task forces to avoid individual accountability.

In addition to unaccountability cloaked by collaboration, RIM provides a second example of vice hiding out inside virtue. The BlackBerry PlayBook was launched in 2010 with much fanfare from RIM but little interest from the market. While competing with the iPad would have been tough for anyone, Lazaridis and Balsillie didn't make it easier for

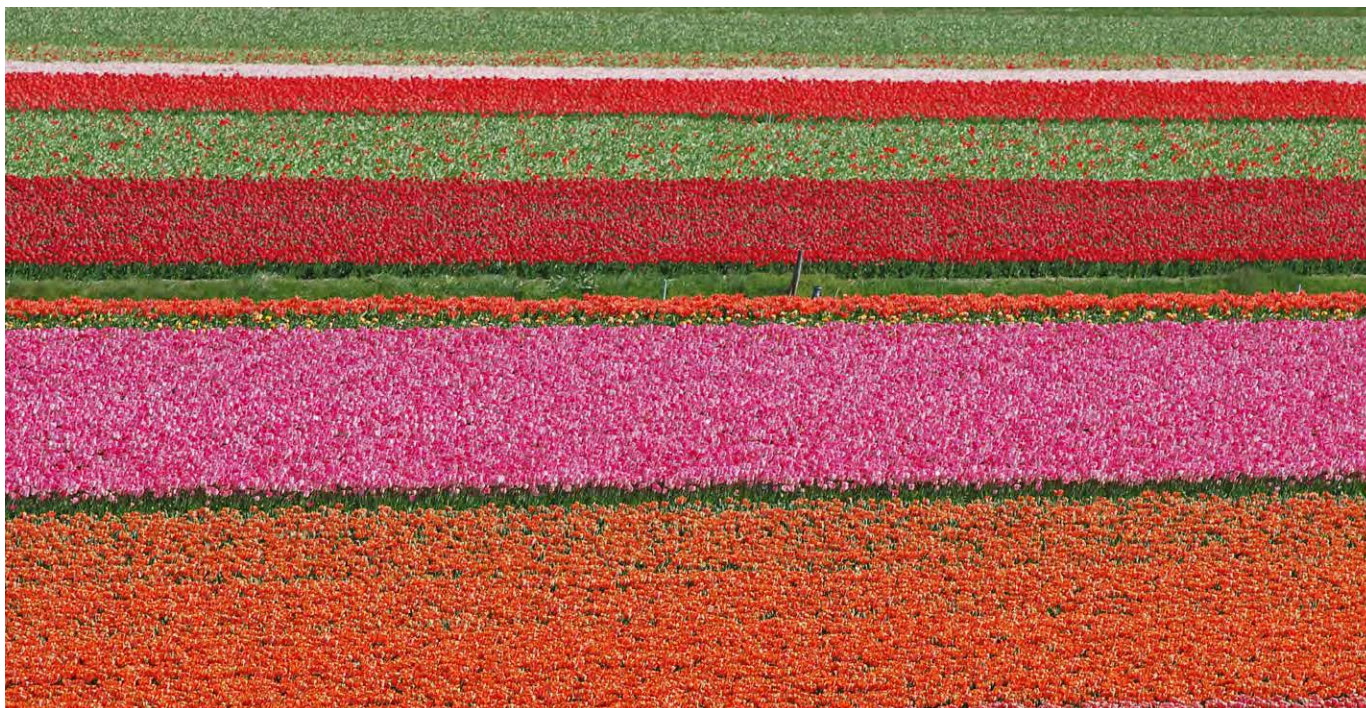
themselves. Former employees of RIM say that Lazaridis ordered that the PlayBook be built for consumers. But Balsillie believed it should be sold to big businesses. "The marketing campaign positioned the tablet as 'professional grade,'" wrote Joe Castaldo in [Canadian Business](#), "and yet the very name of the product suggests it's all about fun. It ultimately hit the market without meeting the needs of either consumers or business users."

The PlayBook shows how an attempt to strike a balance between two goals is often just an excuse to avoid making a decision. The dark side of collaboration is a lack of accountability, and the dark side of balance is a lack of decisiveness.

Passion and Preparation

As I've interviewed thousands of leaders over the past decade about the secret to their success, the single most common answer I get is passion. Leaders work hard to hire passionate people and to engage their employees to be even more passionate about their work. And they work hard to sustain their own passion.

But be careful what you wish for. As [Robert Vallerand and his colleagues have shown](#), passion often hides obsession. On a recent episode of [NPR's Wait, Wait, Don't Tell Me, Martha Stewart was the guest](#). The host asked her what she would do if she saw someone getting the



“Men acquire a particular quality by constantly acting a particular way. We become just by performing just actions, temperate by performing temperate actions, brave by performing brave actions.”

Aristotle

seeds out of a pomegranate in a less than optimal way. Specifically, the host asked her, “Could you stop yourself from telling them how to do it better?” Stewart answered no, and she went on to say that because she has helped the person learn something valuable, “they will love me forever.”

Vallerand’s research shows that obsessive passion often stems from contingent self-esteem. When you work because you feel compelled to get someone’s approval or love, you risk the downsides of obsessive passion: burnout and bad behavior.

Maybe Stewart was just joking. The show is light-hearted, after all. But one of the symptoms of obsession cloaked by passion is being so driven to succeed that you make choices that are not in synch with your own moral values. You lose control of yourself and do things you regret, like using poor language on *National Public Radio*. Stewart continued on the show to say that those she has helped learn proper pomegranate preparation will love her forever “...because I have solved a problem, a lifelong problem of how to get the (bleep) oh, excuse me...the seeds out of a pomegranate.”

Her appearance on the show is only a thin slice of behavior and it’s in a jovial context, but a few years ago Stewart spent five months in Federal Prison for obstruction of justice. So it’s not a stretch to make the case that at least some times she’s provided an example of the sort of passion for success that can hide dangerous, destructive obsession. You could see the electronic anklet Stewart wore after she left prison, and the live audience at *Wait, Wait, Don’t Tell Me* could hear her foul language. But some vices are less observable. The insecurity that hides inside the urge to prepare, for example, is often never noticed. A team of junior consultants worried they didn’t have the

experience to meet their clients’ needs. So they worked extra hard to develop a book full of data before an upcoming meeting intended to sell a new project. They spent so much time with the data and the ideas in that book that they fell in love with it, which led them to defend their point of view in the meeting. The client didn’t feel heard, and so the meeting went poorly. When the client didn’t accept their proposal, the young team resolved to work even harder the next time. This was, of course, exactly

the wrong lesson to learn.

A senior partner at that same firm told me that one of his primary jobs is to help younger consultants learn when and how to stop loving their book. Preparation can be a symptom of insecurity. When you work to prepare as a way of reducing your anxiety, you risk over preparing and becoming locked into a script you’ve fallen in love with.

Sometimes you feel the need to prepare simply because of your lack of experience and confidence with the event you are about to face. But sometimes you feel the need to prepare because you are genuinely unprepared.

Disentangling vice from virtue requires discipline, discretion, curiosity and self-awareness. Balance, collaboration, creativity, excellence, fairness, passion and preparation aren’t always excuses for vice. Sometimes they are simply healthy behaviors and traits to be encouraged. But when you say – or hear someone else say – that something is being done in the name of one of these seven admirable aims, it’s smart to check to make sure no vice lurks inside the virtue. ■



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Civic Fusion

by Susan Podziba, Mobius Executive Leadership Mediation Expert

The conflicts seem intractable and yet the disagreements must be resolved. Leaders and the public have a determined will to move beyond a recognizably unstable status quo. But how do tense and frustrated people, with conflicting values and interests and a history of failed efforts, reach consensus on a way forward? The answer may be civic fusion. Civic fusion is when people bond, even as they sustain deep value differences, to solve a common public problem.

As a public policy mediator, my work is to help disparate, passionate parties negotiate actionable agreements. To do so, they must draw close enough together to overcome their polarization, or in other words, achieve civic fusion. To achieve and sustain civic fusion, interested parties engage in assumption-shifting discussions that contribute to unexpected bonding. They connect across common goals all the parties share, and find mutual understanding and respect for their interests and those of others. In addition, they come to understand and accept the constraints of their complex situations. A steady stream of new understandings moves people beyond their long-held perspectives to create opportunities for productive negotiations and innovative ideas. Ultimately, the parties generate pragmatic consensus agreements even as they retain their deeply held and often opposing values and beliefs.

Public policy mediators design processes to foster productive negotiations in high-pressure situations to build uniquely crafted solutions. Seemingly intractable and potentially chaotic situations require process adaptations beyond the mere application of mediation and facilitation techniques to attempt resolution. These adaptations may include a means for moving beyond habitual patterns of communication to surface and acknowledge actual passionate differences in order to create solutions that encompass those differences rather than paper over them.

Civic fusion peaks in the moments of simultaneous

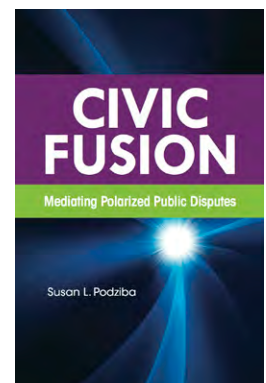
connection and recognition of unbridgeable value differences. It is sustained throughout negotiations by a mutual recognition of parties' interdependence and reciprocated understandings during discussions of difference. Many initial mediation tasks, for example, identifying a shared public goal and developing procedural ground rules, are undertaken in support of attaining civic fusion. Memory of having experienced civic fusion results in a fused group that aspires to attain it again.

Civic Fusion Defined

In the term civic fusion, civic identifies the citizens or citizen-representatives who have intimate knowledge and wisdom of the public policy conflict as a result of living it, as well as sufficient interests in play to motivate their participation and commitment to action.¹ Thus, in an example we will be studying in the chapters to come, the Chelsea city charter consensus process, civic refers to the city's residents—some of whom participated as members of a charter negotiating team; others as facilitators, attendees of public forums and community meetings, callers to a hotline, and viewers of cable television.

For a second example we will be examining—the negotiations for developing safety rules for construction cranes—members of the civic universe were the representatives of identified stakeholders and, by extension, their constituents. Even though the general public has an interest in worker protection and the safe operation of cranes, it would have little knowledge of the specific strategies for preventing cranes from toppling over or hitting power lines. Thus, for this case, “civic” refers to the citizen-representatives of crane-related stakeholders.

For the example of the abortion talks, civic fusion required only a small circle of pro-life and pro-choice leaders, who were able to take individual actions to pro-



1. For more information on identifying the parties that compose the civic universe for a process, see Chapter 6, “Conducting the Mediator’s Assessment.”

test the Massachusetts populace and jointly publish a consensus article in the Boston Globe.

The word “fusion” is borrowed from the process of nuclear fusion, in which positively charged protons are brought close enough together to engage nuclear forces that overcome their otherwise polarizing magnetic charges.

Think of an atom and its nucleus of protons and neutrons. The protons all have the same positive charge, which causes them to repel each other. (Figure 1.1) However, when brought close enough together, a nuclear force binds the protons and neutrons even as the protons retain their positive charge. The neutrons, lacking any magnetic charge, as well as the protons, contribute binding energy to hold the nucleus together. (Figure 1.2) Within an atom’s nucleus are both the binding and repelling forces. (Figure 1.3) Thus, should something cause the protons to move beyond the bounds of the nuclear force, the magnetic force would cause the protons to quickly fly apart.

In this metaphor, the protons are the parties to the negotiations, for example, pro-life and prochoice leaders. Each individual’s passionate stance is a positive charge. Efforts to move the participants close together expose the polarizing forces that repel, for example, issues such as when life begins and the right of a woman to terminate her pregnancy. One quickly perceives a seemingly insurmountable gap between the two groups and the impossibility of achieving a stable bond amidst the polarization, like trying to force together the positively charged ends of two magnets.

The mediators, who do not contribute political passion on substantive issues, are the magnetically neutral neutrons. Without a magnetic charge, they do not contribute to the polarization.

By bringing diverse, politically active people close enough together, under particular conditions, mediators help disputants to bond. Note that just as protons retain their magnetic force even while bonded, people retain their passionate beliefs within the confines of civic fusion. The women of the abortion talks, for example, never veered from their deeply held positions: pro-life women continued to view abortion as the death of an unborn child and pro-choice women continued to view as paramount the moral capacity of a woman to choose to terminate her pregnancy. They connected through their shared humaneness and abhorrence of violence and their mutual recognition and understanding, although not acceptance, of the worldviews that underpin each other’s positions.

Essential Conditions for Civic Fusion

Situations ripe for benefitting from civic fusion share certain essential conditions. Most importantly, the parties agree that the status quo is unsustainable and that none of the parties has

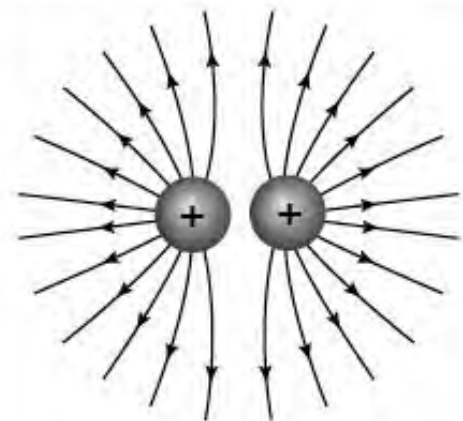


*Figure 1.1
Protons repelling*

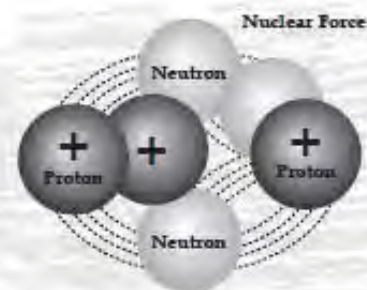


*Figure 1.2
Nuclear force binds protons and
neutrons in the nucleus of an atom*

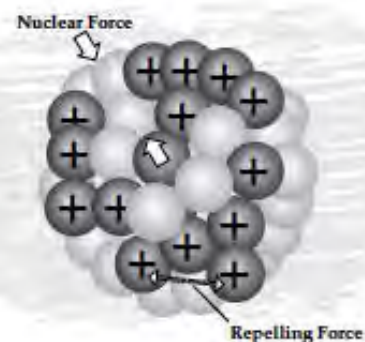
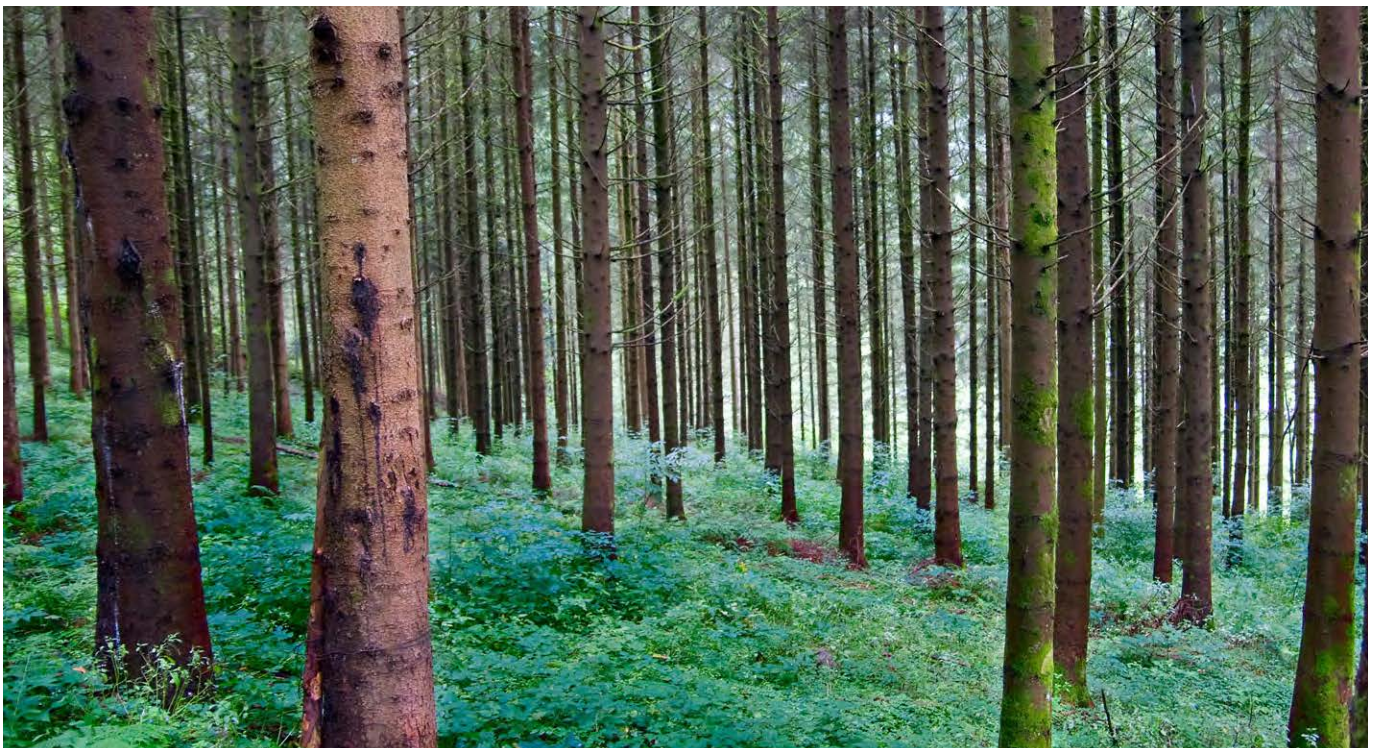


*Figure 1.3
Repelling forces of protons remain
even as nuclear force binds protons
and neutrons*

“Love is not selective, desire is selective. In love there are no strangers. When the centre of selfishness is no longer, all desires for pleasure and fear of pain cease; one is no longer interested in being happy; beyond happiness there is pure intensity, inexhaustible energy, the ecstasy of giving from a perennial source.”

-Sri Nisargadatta Maharaj, *I Am That: Talks with Sri Nisargadatta Maharaj*



enough power or knowledge to act unilaterally to solve the problem. Often the inertia of inaction has worsened the situation, as in our examples, Chelsea's public monies disappeared into the coffers of the corrupt, fatal crane accidents occurred with regularity, and individuals with extremist views attacked other adults to play hero to the unborn. As a result, a will to act emerges from somewhere within the political system or universe of actors.

Another condition is that past efforts to solve the problem failed, perhaps because existing government mechanisms and institutions available for pursuing resolutions proved inadequate to address the problem. Such past efforts, even when well-intentioned, often result in increased frustrations among the involved parties to the

conflict, particularly those who believed they knew of workable solutions but were unable to persuade others to accept them.

In these situations, the people living the conflict need a forum within which to surface and acknowledge their deep differences and, at the same time, jointly build an agreement that encompasses those differences.

Civic fusion enables creative thought to emerge despite deeply held conflicting viewpoints. The seeming intractability, instability, and complexity of the public dispute may contribute the intense energy needed for people to transcend their ordinary thought patterns to acknowledge the legitimacy of others' beliefs and concerns, even as they may vehemently disagree with those

pronouncements. A mediator tries to tap this energy to help people bond and at the same time, create space for jointly absorbing new information that conflicts with some of their usual assumptions about substantive issues and the intentions of other interested parties. Their newly gained understanding may enable them to create unique solutions that mutually satisfy the range of interests represented within the group.

When crane accidents accounted for the highest number of fatalities and serious injuries in the construction industry, unions and employers asked the federal Occupational Safety and Health Administration (OSHA) to revise its relevant national worker safety standards. The status quo was unsustainable. The existing standards, developed in the early 1970s, were obsolete because of changes in crane technology and work processes.

The OSHA Directorate of Construction, responsible for writing and enforcing regulations for all construction-related worker safety standards, does not and cannot have in-house expertise for all types of construction equipment. It often convenes work groups of stakeholders for advice on updating its regulations. The failure of a cranes work group established to propose solutions after four years of meetings and the continued reliance on safety standards that failed to adequately prevent accidents, created great frustration for workers and the industry. The work group's single consensus recommendation, that OSHA initiate a formal negotiated

rulemaking, reflected a recognized need for a process adapted to the seemingly insurmountable differences among conflicting interests and values of the interested parties. By the time the negotiated rulemaking committee was convened, despite their differences, the parties were energized and determined to fix the broken system under which they lived. Conditions were ripe for civic fusion.

Design to the Obstacles

A carefully designed process, rooted in the mediator's assessment of the conflict's substantive issues, history, dynamics, stakeholders, and constraints, provides a foundation for achieving civic fusion. The process design is as critical to civic fusion as is the physical container in which nuclear fusion may occur.

Just as MIT's levitating donut is designed to eliminate known obstacles to nuclear fusion, public policy mediation processes are designed to account for known obstacles to civic fusion.² The process design maps out the steps needed to reach actionable consensus agreements. Perceived barriers can be converted into unique process components.

For example, when developing a new charter for self-governance in Chelsea, the politically unengaged populace was considered a barrier to building an actionable agreement. To meet this challenge, the process included the means for engaging people where they already congre-

“What we can be, we must be. This need we may call self-actualization...It refers to the desire for self-fulfillment, namely, to the tendency for us to become actualized in what we are potentially. This tendency might be phrased as the desire to become more and more what one is, to become everything that one is capable of becoming.”

Abraham Maslow, Hierarchy of Needs.

2. The Levitated Dipole Experiment, a joint project of the Massachusetts Institute of Technology and Columbia University, uses a donut-shaped magnet, suspended by an electromagnetic field, to cause 10-million degree-hot plasma to become more densely concentrated—an essential step in nuclear fusion, explains David L. Chandler in “Levitating magnet brings space physics to fusion,” MIT News, January 25, 2010.

gated. We held meetings at popular local venues, such as social clubs, houses of worship, community residences, and schools.

Results

As a result of civic fusion, disputants find unique solutions to old problems and often forge new long-term relationships among past foes that support and sustain implementation of the agreements reached. Broad-brush disagreements on issues give way to nuanced understandings of complexities. The result is democracy in action: well-articulated, conflicting views merged for the public good, and strong support for agreed-upon solutions.

Civic fusion enabled OSHA and industry and union leaders to reach consensus on proposed worker safety standards for construction cranes and generated a deep commitment to the implementation of those standards. Negotiators' assumptions shifted on key issues, as did their judgments of institutions and other people's motivations. For example, employers, who previously had engaged with OSHA only over regulatory violations, expressed new understandings of OSHA's challenges in creating enforceable standards to protect workers. When their consensus proposal was stuck in a bureaucratic maze, many of the representative negotiators banded together to help move it forward through coordinated strategies including press conferences, meetings with government officials, and testimony at a public hearing.

Similarly, the pro-life and pro-choice women came to respect, as individuals, those who held passionate positions intolerably different from their own, because of the strength of their bonds. Seeing each other up close and personal, made it impossible to see the other as an enemy, or as an individual lacking moral character. Members of each camp did not agree with the other sides' sense of morality, but they learned that no one was acting out of a purposeful immorality. Intense policy disagreements remained, but the demons disappeared.

Over time, each leader acted individually to achieve the group's joint goal of reducing the risk of future violence against abortion clinic workers. Choosing to promote healing rather than anger, during the memorial on the first anniversary of the clinic shootings, Nicki Nichols Gamble, then president of Planned Parenthood of Massachusetts, expressed gratitude "for the prayers of those who agree with us and the prayers of those who disagree," as two

pro-life participants sat in the audience. Similarly, Madeline McComish, then president of Massachusetts Citizens for Life, told the Virginia-based spiritual mentor of the shooter and a proponent of justifiable homicide that he was not welcome in the state during the murder trial.

As civic fusion occurs, unexpected relationships develop and help sustain people as they journey into deeper understandings and mutual acknowledgement of opposing stances, in the effort to build and implement consensus agreements. Sometimes lifelong relationships are created. Many describe their participation as a highlight of their career because they were able to transcend petty disagreements to contribute to the common good.

The possibility of civic fusion offers a way out of the political polarization of public disputes. It takes awareness, intent, and commitment, but it can be done. The next chapters describe how public policy mediators can help to initiate and sustain civic fusion as well as how to help government and citizens reap its benefits. ■



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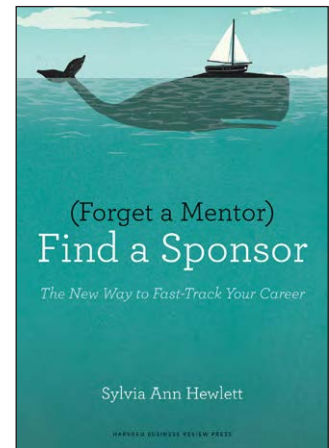
including the U.S. Departments of Commerce, Defense, Education, Energy, Health and Human Services, Housing and Urban Development, Interior, Labor, and Transportation, the U.S. Environmental Protection Agency, U.S. Institute of Peace, and the United Nations.

Ms. Podziba has served as Fulbright Senior Specialist in Peace and Conflict Resolution at the Amsterdam Centre for Conflict Studies at the University of Amsterdam, Netherlands and has taught graduate courses in mediation and negotiation at the Massachusetts Institute of Technology and the Program On Negotiation at Harvard Law School.

Media outlets such as The New York Times, The Washington Post, Christian Science Monitor, The Boston Globe, FastCompany, National Public Radio and affiliates of all major U.S. television networks have reported on her projects.

Forget a Mentor, Find a Sponsor: The New Way to Fast-Track Your Career

by Sylvia Ann Hewlett



Who's pulling for you? Who's got your back? Who's putting your hat in the ring?

Odds are, this person is not a mentor but a sponsor.

Now don't get me wrong: mentors matter. You absolutely need them—they give valuable advice, build self-esteem, and provide an indispensable sounding board when you're unsure about next steps. But they are not your ticket to the top.

If you're interested in fast-tracking your career, in getting that next hot assignment or making more money, what you need is a sponsor. Sponsors give advice and guidance, but they also come through on much more important fronts. In particular they:

- Believe in your value and your potential and are prepared to link reputations and go out on a limb on your behalf.
- Have a voice at decision-making tables and are willing to be your champion—convincing others that you deserve a pay raise or a promotion.
- Are willing to give you air cover so that you can take risks. No one can accomplish great things in this world if they don't have a senior leader in their corner making it safe to fail.

It is this kind of heavy lifting that distinguishes a sponsor from a mentor. The data that underpins this book shows that sponsorship has a measurable impact on career progression. Men and women with sponsors are much more likely to rise up through the ranks and hang on to their ambition. Sponsors—unlike mentors—give you serious traction.

Mentorship versus Sponsorship

Don't get me wrong: mentors matter. You absolutely need them. But they're not your ticket to the top. Mentors give, whereas sponsors *invest*.

Let me clarify.

Mentors are those people who take an interest in counseling you because they like you, or because you remind them of themselves. Mentors will listen sympathetically to just about anything you care to bring up. Indeed, the whole idea of having a mentor is to discuss what you cannot or dare not bring up with your boss or colleagues. Your mentor will listen to your issues, offer advice, and review which problem-solving approaches to take and which to discard. Mentors give generously of their time. In return, you listen and try to heed their advice. It may be that they enjoy drawing on their experience and sharing their wisdom, or they're paying back their own early supporters, or they're paying the debt forward. In any case, it's an asymmetric relationship. The energy is flowing one way: toward you.

A *sponsor*, as we shall explore, is also someone who takes an interest in you and your career, but not out of altruism or like-mindedness. A sponsor sees furthering your career as an important investment in his or her own career, organization, or vision. Sponsors may advise or steer you, but their chief role is to develop you as a leader. Your role is to earn their investment in you. Indeed, throughout the relationship, you're delivering outstanding results, building their brand or legacy, and generally making them look good. You're driving the relationship, making sure that whatever dividends you realize in the

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way of promotions, pay raises, or plum assignments are manifestly dividends that you earned. Sponsorship, done right, is transactional. It's an implicit or even explicit strategic alliance, a long-range quid pro quo. But provided you're giving as good as you're getting, there's nothing about this dynamic that warrants distaste. Sponsorship isn't favoritism or politics; it doesn't rig the game. On the contrary, it ensures you get what you've worked for and deserve.

Sponsors can be *role models*, leaders you relate to and aspire to emulate. But they needn't be, and often aren't. What's important in sponsorship is trust, not affinity. It'd be nice if the person who can most help you turns out to be a person you like or most want to be like. But trust can arise between two people who are vastly different. This difference imbues sponsorship with power, because each party gains from the complementarity of the other. The alliance is then greater than the sum of its individual parts.

This is not to belittle the role that *supporters*, by which I mean both mentors and role models, play in your career. Role models serve as vital inspiration, boosting your drive and giving form to your ambition. Mentors, who are often role models, can offer empathetic support, help you figure out what you want, and determine with you what steps will get you there. A good mentor will decode the unwritten rules, demystify the way things work, and offer you tips on navigating the organization. People who are mentored feel less isolated (especially if they're entrepreneurs), more connected to their company, and less stressed than those who lack such attention and guidance. Multicultural professionals in particular benefit from the emotional support and pledge of solidarity that mentors and role models of color provide.

But neither mentors nor role models can give you real career traction. Research we conducted at the Center for Talent Innovation (CTI) shows that sponsors, not mentors, put you on the path to power and influence by affecting three things: pay raises, high-profile assignments, and promotions. When it comes to asking for a pay raise, our research finds, the majority of men (67 percent) and women (70 percent) resist confronting their boss. With a sponsor in their corner, however, nearly half of men and 38 percent of women will make the request—and, our focus-group research suggests, will succeed in getting the raise. When it

comes to getting assigned to a high-visibility team or plum project, some 43 percent of male employees and 36 percent of females will approach their manager and make the request. With a sponsor, the numbers rise to 56 percent and 44 percent, respectively.

Our research also shows that the individuals who are most satisfied with their rate of advancement are individuals with sponsors. Fully 70 percent of sponsored men and 68 percent of sponsored women feel they are progressing through the ranks at a satisfactory pace, compared to 57 percent of their unsponsored peers. That translates into a “sponsor effect” of 23 percent for men and 19 percent for women. CTI research shows that sponsors affect women's career trajectory even more profoundly than men's in at least one respect: 85 percent of mothers (employed full-time) who have sponsors stay in the game, compared to only 58 percent of those going it alone. That's a sponsor effect of 27 percent.

The sponsor effect on professionals of color is even more impressive. Minority employees are 65 percent *more likely* than their unsponsored cohorts to be satisfied with their rate of advancement.

Even in companies with robust mentoring programs, mentoring doesn't deliver on its promise, or at least not for women and people of color. Research conducted by Catalyst (an advocacy organization for women in business) shows that while more women than men have been mentored, more men have won promotions—15 percent more, according to a 2008 study. Mentors are no silver bullet, no matter how heavily *Fortune* 500 corporations invest in mentorship programs. So if, like Marina, you're waiting for your role model or mentor to part the waters and set you up on the distant shore, you're wasting precious time.

I wrote this book to make sure you don't make Marina's mistake: to show you why you need sponsors (and you need more than one) to help you achieve your vision, whether that's a leading role in a large company, a strategic role in a small company, founding a business of your own, or steering a nonprofit or educational organization to fulfill its mission and mandate. I created the road map you'll find in part II to show you exactly what you need to do to attract sponsors, win their advocacy, sustain their interest, and leverage their backing throughout your career. Because even at the pinnacle of your career, you'll find that these skills serve you. Fabulously

successful entrepreneurs and CEOs alike still need powerful voices to get them onto boards, introduce them to investors, or secure them a spot at the World Economic Forum at Davos. Sponsorship is the mechanism by which people of vision attain their goals, which is why no one—male or female, millennial or boomer, start-up employee or multinational manager—can afford to dismiss it or miss out on it.

That being said, women and people of color stand to benefit the most from this book precisely because sponsorship has long been the inside track for Caucasian men. Men are 46 percent more likely than women, and Caucasians are 63 percent more likely than professionals of color, to have a sponsor seeing to their success. I'm not suggesting there's a conspiracy here. Rather, it's a quirk of human nature that keeps leadership in the United States and Europe mostly pale and male. Those in power tend to invest in other members of their tribe because they're the ones they trust most readily. This is the way it has worked since the dawn of civilization.

But that doesn't mean sponsorship is the exclusive province of straight white guys. That sponsorship has worked so well for the old boys' network for so long simply underscores the power of this type of advocacy, not the exclusivity of power.

As the founder of an organization focused on talent issues, I have the privilege of knowing white male executives who are committing every resource at their disposal to changing the face of leadership, and not because women's groups have pressured them into it. They understand that much of the best talent out there is diverse. Our research shows that Caucasian men comprise a mere 17 percent of college graduates around the world. There's never been a better time, that is, for accomplished, ambitious women and

people of color to show they're eager to move into leadership roles, because the business sector is competing for them worldwide. For them, sponsorship is the key that turns all the tumblers, unlocking the door to the C-suite, on Main Street as well as Wall Street.

The research undergirding the advice in this book draws on the collective experience and wisdom of some ten thousand full-time workers in the private sector. We interviewed dozens of *Fortune* 500 leaders, convened with over a hundred managers in on-site and online focus groups, and surveyed thousands of employees in the United States and the United Kingdom—people on every rung of the ladder in every profession that requires a college degree. While most of these people work for large corporations, the insights derived from their experience transcend environment. Cultivating a sponsor and leveraging the relationship to mutual benefit turns out to be a skill that serves people in nonprofits and education as readily as it serves people in for-profits and government.

Finally, I've tested this research on the ground. I've presented this road map to hundreds of professionals worldwide, to graduate students at Skolkovo School of Management in Moscow, to bankers in London's City, even to the National Football League in midtown Manhattan. The response has been amazing. You can feel the "aha!" moment happen. Men and women see, in sponsorship, the game changer they've been looking for. But they see something more: with this road map in hand, they're in a position to do the changing. They don't need to wait. They don't need to be tapped or chosen or singled out by someone else. It's up to them to put this dynamic into play.

And now, it's up to you.

“There's never been a better time, that is, for accomplished, ambitious women and people of color to show they're eager to move into leadership roles, because the business sector is competing for them worldwide.”

MY STORY: FROM SYLVIA ANN HEWLETT,
THE AUTHOR OF *FORGET A MENTOR, FIND A SPONSOR*

Post-Harvard and post-London University (where I earned my PhD), I landed a sought-after first job: as assistant professor of economics at Barnard College, Columbia University, and began to forge what should have been a promising career in academe. I wish I could say that it was smooth sailing. It was not.

I made the classic female mistake. I thought that it was all about doing my job extraordinarily well. If I put my head down and worked as hard as I knew how, my value to the organization would be self-evident, and, of course, I would be recognized and promoted.

In retrospect, I could kick myself. Why didn't I understand that at these beginning stages of a serious and super competitive career, I needed a sponsor more than ever? Someone with power who believed in me and was prepared to propel and protect me as I set about climbing the ladder. Why didn't I get out there and look for a new Jean Grove?

Don't get me wrong; I did acquire a ton of supporters. Like many women, I was good at friendships, and during my time at Barnard, I developed mentoring relationships with several close female colleagues. One was an older woman—an historian named Annette Baxter—whom I admired for her kindness and her commitment to principle (she was forever on the outs with her chairman because she disagreed with the direction in which he was taking the department). Annette gave me a great deal. I remember with particular gratitude the ways in which she boosted my confidence and soothed my soul when I felt overwhelmed by the demands of a new baby, layered as it was on top of the pressures of a high-octane job. But close as our relationship was, Annette could not be my sponsor. She had little clout at Barnard (her feud with her department chair put her out of play), and her influence in my discipline (economics) was nonexistent.

My lack of sponsors had extremely serious consequences. Crunch time came seven years later, when I was up for tenure. In the months leading up to the decision, I was increasingly confident. I had always been an outstanding teacher—my ratings were off the charts—but I felt newly confident on the research front. My recent book had garnered stellar reviews and the attention of policy makers as well as scholars. As I helped my chairman assemble my dossier, I thought that it looked pretty impressive.

Imagine my shock when, three months later, I was denied tenure. My department supported me (I breezed by with a unanimous vote). The damage was done by the university-wide committee (the APT—Appointments, Promotion, and Tenure committee of Columbia University), which shot me down in a three-to-two vote. It turns out I had no advocates at this critical, final level. No one even knew me. According to a friend of a friend who knew something about the deliberations of the

committee, the only thing about my seven-year track record that attracted the committee's attention was that I'd recently given birth to a premature baby. They feared this would "dilute my focus."

How did I deal with this massive setback? Not well.

I had plowed twelve years of my life into this career of mine and I felt bewildered, betrayed, and brutally cast out. I mourned the waste of time and energy, but more importantly I mourned the loss of a beloved profession—one that I deeply valued and was exceptionally good at. Tenure decisions are "up" or "out"—you're either promoted to associate professor (and given lifetime job security) or you're fired. The decision came down in April, and by mid-May, I was packing up my office.

As I regrouped and attempted to figure out how to reinvent my professional life, one thing was sure: I'd learned my lesson on the sponsorship front. I now understood that climbing the ladder in any competitive field required heavy-duty support from a senior person with heft and influence.

Finding such a person wasn't easy. I hadn't been in the business of cultivating such relationships. But after

I now understood that climbing the ladder in any competitive field required heavy-duty support from a senior person with heft and influence.

some soul searching, I realized that I did have such a person in my back pocket. His name was Harvey Picker and he was dean of the School of International Affairs at Columbia University and former CEO of Picker Instruments. Picker wasn't particularly influential at Columbia (he didn't sit on any of the critical university-wide committees), but he did have power in the wider world, and most importantly, he was a great fan of mine. We'd met through my teaching. A Brazil enthusiast, Picker had sat in on some sessions of a course I taught on the Latin American economy, and we'd had spirited discussions on growth models and on trade-offs between economic growth and social justice in the Third World. We shared a Portuguese language instructor and a love of *fado* (Portuguese folk music).

A week after the tenure debacle, I turned up in Harvey's office clear-eyed and focused. I came directly to the point: could he help me find a job?

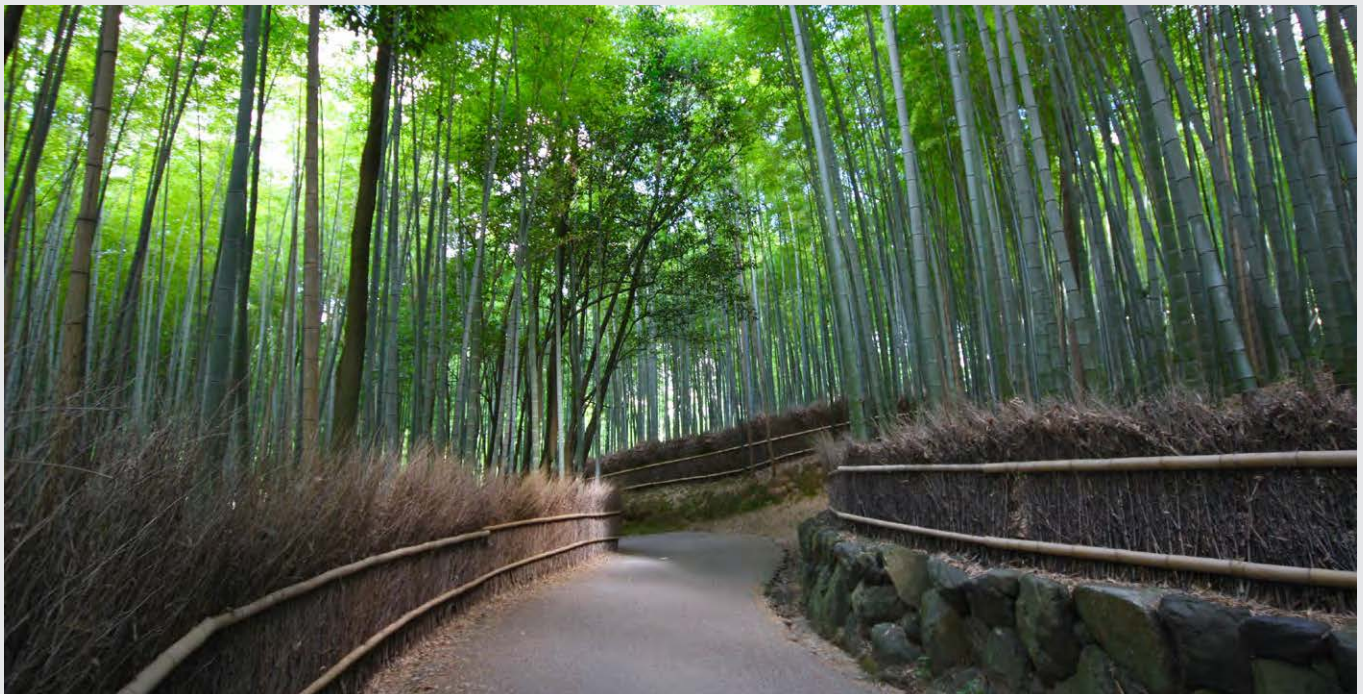
Harvey came through. Indeed, he was not merely responsive; he got out in front. In his old-fashioned courtly way, he told me that he'd learned of what he called "the ridiculous tenure decision" and was profoundly put out, so much so that he'd taken it upon himself to scope out a job that might suit me. The top slot at the Economic Policy Council (a New York-based nonprofit that brought together 100 corporate CEOs and trade union leaders

to examine cutting-edge issues) was open, and Harvey thought that my skill set was perfect for the position. I had precisely the mix of top-notch academic credentials and international experience they were looking for. Did he have my permission to put my name forward? He knew the chairman of the EPC board rather well and while that didn't count for much (Harvey was a self-deprecating sort of person), it would open the door, which was all I needed. Dumbstruck, I conjured up a weak and wobbly yes. A month later, I started a brand-new career.

So I finally got it—sponsorship, that is. I did my utmost to never again let it go. My career journey was complicated (more on that in the final chapter). But from here on out, I knew that if I was going to amount to anything, I needed powerful sponsors. ■



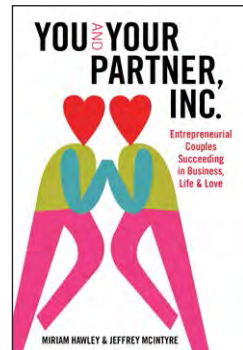
Sylvia Ann Hewlett is an economist, president and CEO of the Center for Talent Innovation, a non-profit think tank where she chairs a Task Force of more than 70 global companies focused on fully realizing the new streams of talent in the global marketplace. She also directs the Gender and Policy Program at the School of International and Public Affairs, Columbia University.



YOU & YOUR PARTNER, INC. | A MOBIUS EXECUTIVE LEADERSHIP AFFILIATE

Entrepreneurial Couples Succeeding in Business, Life & Love

By Miriam Hawley & Jeffrey McIntyre,
Mobius Executive Leadership Coaches



Copreneurship: An exciting and dynamic model for the 21st century

OVER THE COURSE OF OUR 30-year marriage, which included various careers for each of us, we were always in search of a more harmonious life, so we joined forces and created a business together. The work we do today, as executive coaches and leadership consultants, grew out of our previous experience and naturally led us into coaching business couples.

We are now happier than ever. But something was still missing. We wanted to find like-minded people to connect with. So began a new one year journey of interviewing hundreds of couples who had likewise created businesses together. Through this process we also realized that we were part of what is now a fast-growing trend.

This was such an amazing and enlightening experience that we decided to share our findings in the hope of providing a unique life choice for others in search of balance, harmony, freedom and prosperity through working together. It was hard to choose but eventually we did. We chose the 50 most representative and relatable couples, who candidly shared their fascinating life stories.

The couples you will meet are diverse in age, background, location, size of business, type of business or industry. In these challenging economic times, these couples have discovered unique solutions for managing

their careers, families and relationships. This choice is, of course, not without its challenges. However, it is a choice that can have a huge payout. Undertaken with sensitivity, intelligence and love, these partnerships offer rich rewards.

What motivated these couples to take on the challenges of being in business together? Some created their businesses as an alternative to “Corporate America” and the stresses of juggling two professional careers. Others inherited family businesses and wanted to honor the investments their predecessors had made. Those with an entrepreneurial spirit wanted to see their good ideas come to fruition. Sometimes opportunities presented themselves, and the couple was at the right place at the right time. Some reacted to a layoff or to added travel obligations that interfered with child rearing. Still others, eager to take charge of their own destinies, made this choice to gain the freedom of a whole new lifestyle.

We were deeply moved and inspired by the ways in which the couples we interviewed embodied their values of integrity, courage, excellence and contribution in both their personal and professional lives. They were also committed to communication, collaboration and extending themselves to their communities.

The couples we interviewed do not compromise their values for profit, though of course they are profitable and fully intend to continue to be. Rather, they

“We were deeply moved and inspired by ways in which the couples we interviewed embodied their values of integrity, courage, excellence and contribution in both their personal and professional lives.”

measure their success by the quality of the products and services they offer. They also employ their values to offer new possibilities and opportunities for themselves, their families, their communities and the world. They likewise honor people as full human beings in every aspect of their business, whether employee, strategic partner, vendor, customer or client.

From this work and the interviews we conducted, we have identified seven key elements that we believe every couple in business needs to regularly build upon. These seven chapters are the heart of this book, and comprise the context for the exploration you are about to undertake.

When your business and relationship are thriving, your ability and opportunities to contribute to the community and the world are also amplified. We hope these stories will motivate you to consider engaging in business as a couple.

May you reach for your own dreams and the breakthrough success that lies ahead.

The joys and challenges of growing your business together—an organic art form that takes on a life of its own

WE WOULD LIKE TO LEAVE you with some ideas that have emerged from our many years of working with couples in business together or planning to create that kind of partnership.

Like any creative entrepreneur, you as a business couple can begin with an idea and with the resources you now have — money, time, people, experience and reputation — and get into action. Take a step forward and see how you do. If that step is successful, you can take the next, then the next and so forth. All along the way you can reassess and change your strategy, or even your business, as some copreneurial couples choose to do.

As you've seen throughout these chapters, couples create businesses for both economic and lifestyle reasons. In an economy where jobs are scarce and unemployment is high, going into business as a couple may be the only attractive option for you, or it may simply feel less risky than the alternatives, such as staying

in corporate jobs with no secure future, being out of work, or waiting for the next opportunity to arise.

As you get started in business, don't be timid: ask for help and support from family, friends and colleagues and network in your communities. In the process of developing your business, you will find yourself building more resilient connections and stronger ties to your various communities.

Lifestyle choice — the kind of life you want and how you want it to feel — often drives the decision to step into business together.

Many of us want to be more present to our families, including our children and our parents, and want to enjoy spending as much time as we can with our partners or spouses. We also have dreams and life purposes that we want to fulfill. To fully express your values in business as well as in your home and community life you will need to make business choices that reflect those deeply held values. The clearer this intention and resolve are, the more they lead you to create a wonderful business together where your values can be expressed consistently in all arenas of your lives.

Being a couple who are in business together can require great sacrifice, risk and courage. But whether you choose to develop a large, robust enterprise or prefer to stay small — while also becoming profitable of course — you can create a work life that allows you to preserve your connection to family and community.

When you have the freedom to view business as a work of art that makes a profit and expresses values, your business choices will naturally allow room for growth, learning and improvement. The more you are in continual and committed communication with one another, the more you will be able to make the adjustments necessary for your relationship and business to flourish. Creative, flexible and entrepreneurial couples discover ways to be financially successful, certainly, and something more happens: they discover strategies, practices, processes and systems that enable relationship, family and community to coexist rather than compete for available resources.

Couples who create successful and enduring businesses operate within the context of both/and rather than either/or, and they create this same context and possibility for their employees. When you take on the challenge and commit-

“The whole is greater than the sum of its parts.”

Greek philosopher; student of Plato;
Tutor to Alexander the great

“When you have the freedom to view business as a work of art that makes a profit and expresses values, your business choices will naturally allow room for growth, learning and improvement.”

ment from this point of view, you can successfully invent and reinvent ways to integrate business, family and relationship.

We live in a time when the world is calling for more vibrant businesses, more vital relationships, healthier families and more thriving communities.

Embodying the principle of both/and allows us to access our resources to the fullest, and points the way for any business venture we undertake to serve its highest purpose.

Ultimately, there is no one way, one ideal partnership, one final conclusion as to how you or I or any of us should live our lives. What does exist are limitless opportunities, and creating a partnership in business, as well as in love, with your life partner is one choice. It was one we made, and the one we continue to choose, as have many of the couples you met throughout the book. Hopefully this is a

choice you now have full resources to intelligently consider, and the shared stories will help you create or improve your partnership in ways that successfully inform and satisfy every aspect of your lives and the lives of everyone with whom you come in contact. That is our hope for you, and our commitment to the common good.

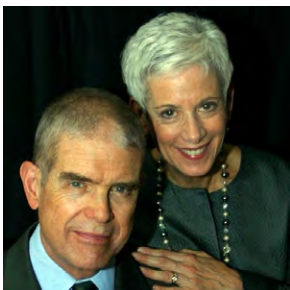
Thank you for staying with us for this incredible journey, and please feel free to visit us online and share your own story with us for our next book.

Until then, we wish you the best of health, happiness and prosperity! ■

– Miriam and Jeffrey
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Nancy Miriam Hawley and Jeffrey McIntyre are the CEO and President of Enlightenment, Inc., a business coaching and consulting company specializing in leadership development, systems thinking and organizational change. Miriam and Jeffrey work separately and together with executive management teams and entrepreneurial individuals, couples and families to create relationships aligned with extraordinary results.

Miriam is a founder of the Boston Women's Health Book Collective, Inc., the organization responsible for writing the best seller *Our Bodies, Ourselves*, a book that shifted the national and international dialogue about women's health, sexuality and power. She was honored in 2012 and featured, along with Gloria Steinem and 98 other women, as one of the Makers: Women Who Make America “100 Groundbreakers who Changed the World,” which you can read about on the web site Makers.com. She is a catalyst for global transformation, and has a contagious and inspiring commitment to living life fully. Miriam has a passion for working with entrepreneurs and copreneurial couples.

Jeffrey is expert in working with health and medical professionals. He is the creator of *The Seven Intelligences of Leadership*®, a comprehensive, integrative and systemic approach to becoming an effective leader. He served as President of the Massachusetts Association of Marriage and Family Therapists and has received MAMFT's highest award for his contributions. Jeffrey has practiced meditation in a variety of Buddhist traditions for over 40 years, and is a meditation instructor in the Shambhala Buddhist tradition. Jeffrey created the program “The Heart of Recovery,” which integrates Buddhist meditation with western Twelve Step traditions.

In partnership, Miriam and Jeffrey co-authored *You and Your Partner, Inc.: Entrepreneurial Couples Succeeding in Business, Life and Love*, published in 2012.

The Building Resilience Handbook

By Rod Warner

We live in turbulent times. Employees at all levels need to have inner strength and resourcefulness to cope with large scale organizational change, such as new priorities, major change initiatives, new technologies, and mergers and downsizing. Outside of work, the same individuals have to cope with the “normal” stresses of daily life such as troubled relationships, financial pressures, security concerns, serious illness and death of loved ones.

What differentiates people who seem to thrive under pressure and in difficult times, from those who seem to languish in the same circumstances?

The difference seems to lie in their personal resilience.

Organisational change and personal resilience

At work, organisational change is often experienced as uncomfortable and even threatening. It's now well accepted that to be successful, organisational change initiatives must be supported by people change support initiatives – to align people intellectually to the reasons for the change; to engage them emotionally to deal with their fears about the change; and to train and reinforce new behaviours and processes to roll out the change.

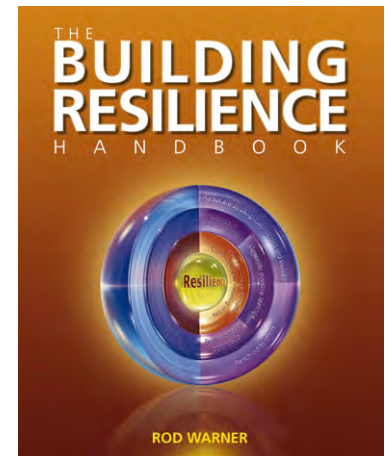
Well crafted change support initiatives however, often

only have a disappointingly limited impact. People react differently to the change, and their reactions can threaten the change take-up.

This is where personal resilience comes to the fore. The leaders who drive the change need to be personally resilient, display this resilience in their leadership, address team members' uncertainty and resistance, build trust and create realistic positivity. The people on the receiving end of the change need to remain task-focused, deal with multiple demands, and stay calm and healthy.

The process of a resilient reaction to unwanted change and adversity still involves the person feeling hurt and pain, but what characterises them is that they move forward, deal with the issues, learn from them and emerge strengthened and even more resourceful.

Not everyone reacts the same however, and we have found four general categories of response to an organisational change, depending on the individual's personal resilience and the effectiveness of the change management initiatives. These different reactions to an organisational change are shown in figure 1.



“To build resilience, negatively biased thinking and persistent negative self talk can be reframed. This can be done by finding alternative ways of thinking about a problem or event, such as how one can learn from it, or how one can accept it. Other ways of reframing are to choose milder and less calamitous ways of expressing the adversity, or to change the statements that run through your mind into questions, and then focus your thoughts on finding answers to the questions.”

Figure 1: Reactions to Organisational Change

Coping successfully with adversity has the great benefit of enhancing resilience which in turn enables better coping with future adversity. Thus the experience and application of resilience leads to further positive upward spirals of healing, recovery, growth and thriving.

There is an inherent irony in all of this. No-one wants to experience tough times and adversity, but for personal growth to occur, it is necessary for one's status quo to be disrupted – adversity achieves this and initiates change. After a life-disrupting change, one cannot go back to how things were – you will become stronger or bitter.

A new perspective on resilience

To understand resilience better, we recently conducted in-depth research with South Africans at work asking how they deal with adversity.

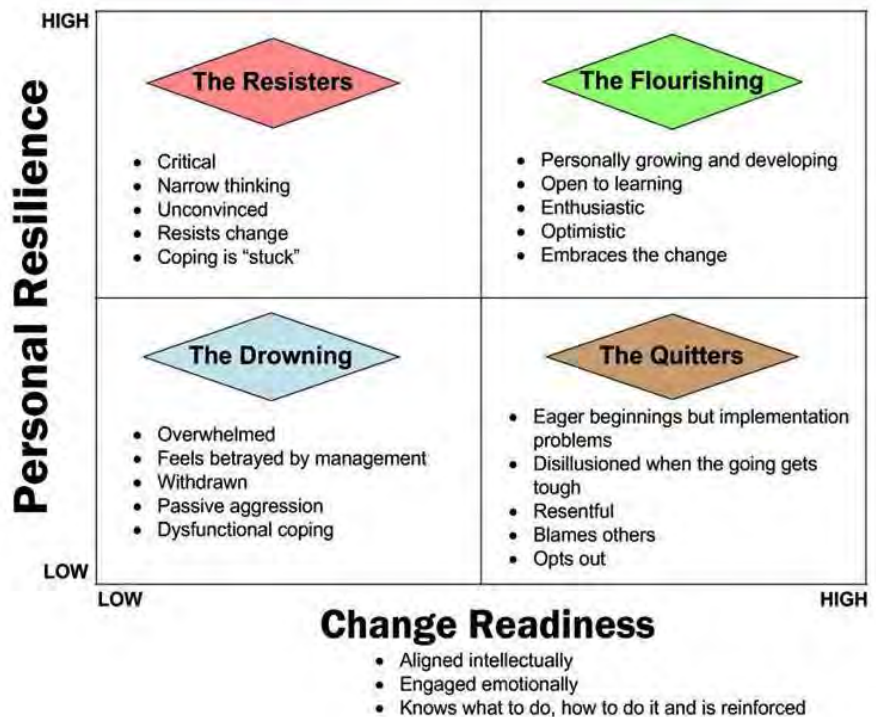
The outcome was exciting. We found resilience in an organizational setting enables one to remain task focused and productive whilst experiencing tough times. Resilient individuals are best able to resist stressful experiences impacting on their job productivity, remain focussed, deal with multiple demands, and stay calm and healthy. Resilience enables “bouncing back” after stressful organisational and life events and incorporates the intriguing concept of emerging from the adversity stronger and more resourceful.

From the research we extrapolated seven principles for building personal resilience.

I. CONNECT TO YOUR MEANING IN LIFE

We all have experienced the joy and energy that comes from doing those things that have personal meaning to us. However, the hum-drum issues of paying bills, resolving work problems, cleaning our homes, and so on, easily distracts from the focus of living an authentic life aimed at fulfilling a higher purpose. In times of adversity however, a strong sense of meaning is the bedrock from which coping, healing and renewal after adversity is made possible.

Our research found that meaning is typically found in one or more of three categories of significance – people,



causes and faith. *Significant people* were most often children and partners for whom there was deep caring and love: to show their love; provide for them, live up to their expectations or set an example; or simply “not let them down.”

Significant causes are things one does because its important to you, and you do it not expecting personal benefit. Examples are de-oiling penguins; raising funds to sustain a shelter for homeless people; adopting an AIDS orphan; and cleaning up the local park. A person described her passionate commitment to a significant cause as her “magnificent obsession”.

Significant faith was frequently cited and examples ranged from formal religion which gave a powerfully felt deep connection to a personal relationship with their Creator, to a less formal feeling of connection to the Universe and the interrelatedness of life which also gave strong feelings of meaning to life.

In the face of adversity, the personal meaning assigned to living sustains and provides the motivation to persevere. This connection and personal belief system was sometimes expressed as the adversity having a higher purpose or meaning, even if it was not clear at the time. For example on the death of his child, a young father said: “I don’t know why this happened, but I do know that there is a reason for everything. So I have to accept it and carry on.”

2. USE YOUR UNIQUE STRENGTHS

Self knowledge emerged as an important component of resilience. Realistic self insight into one's own character strengths and vulnerabilities is the basis for understanding one's capabilities and limits when dealing with adversity.

Character strengths are different to job strengths: the former are life-long whereas job strengths are specific and change with circumstances. Unfounded beliefs about character strengths as well as vulnerabilities can potentially hinder or even derail action to recover from adversity.

People describe using their strengths as “light”, “easy”, “fun” and “obvious”. Using our natural character strengths to problem solve, devise creative solutions and reach out to others during adversity comes easy to us, as well as being experienced as fun and even joyful.

During our training workshops however, people often struggle to identify their strengths, whilst they are able to quickly reel off a list of weaknesses or “development areas”. Ironically they even report having tried to improve their weaknesses for many years, often with slow or even no progress! Character strengths on the other hand, are frequently downplayed as it is sometimes felt that acknowledging and deliberately focussing on them would be boasting. This lack of balance is unfortunate, because logically there should be greater success when using natural strengths, rather than weaknesses, in coping with adversity.

Knowledge of personal vulnerabilities or weaknesses is nevertheless important, as accurate self insight enables the development of a realistic recovery strategy and expectations after adversity. This was pithily expressed by a manager who after describing an acrimonious divorce and having to sell and split the proceeds of a struggling small business, stated: “I know who I am; what I can do and what I can't do. I have been through a lot of crap, and I have become an expert on myself.”

Developing and correcting one's weaknesses to a minimum level of competence will at best prevent failure. Developing and using character strengths on the other hand has the potential to create personal excellence. Using character strengths is uplifting and sets the foundation to live a fulfilling and joyful life.

An ultra distance road runner said that training for and finishing 9 Comrades Marathons (50 mile road race),

had taught him to persevere and not give up when things got tough – and the race became a metaphor for his life which he cited as: “When the going gets tough, the tough gets going”. He knew his strengths and effectively capitalised on them in times of adversity.

3. MAINTAIN PERSPECTIVE

Maintaining perspective concerns the inner world of one's thoughts. It is particularly important because as a species we are programmed from our past to be more alert for negative than positive. This negative focus was very useful in providing narrow, fixed and detailed focus when confronted by a sabre-toothed lion or marauding tribes on the veldt of ancient Africa, but is less helpful in finding creative solutions to modern day adversities which require open, creative and flexible thinking. In today's world, this ancient negative bias sometimes intrudes into our lives as unwelcome persistent negative thoughts.

To build resilience, negatively biased thinking and persistent negative self talk can be reframed. This can be done by finding alternative ways of thinking about the problem or event, such as how one can learn from it, or how one can accept it. Other ways of reframing are to choose milder and less calamitous ways of expressing the adversity, or to change the statements that run through your mind into questions, and then focus your thoughts on finding answers to the questions.

Some people find that changing their behaviour changes their negative thought bias and thinking patterns. Examples are exercising; talking with supportive friends; eating a favourite food such as chocolate or ice-cream; shopping; going to movies; reading a novel; partying. The outcome should be distraction from the stress of the adversity, recharging energy and then returning with renewed vigour to deal with the stress and difficulties.

It is also useful where possible to avoid or minimise situations which trigger persistent negative thoughts. Examples we were given during the research of situations to avoid were of particular events (e.g. a stressful monthly family get together), people (e.g. negative colleagues or difficult clients) and physical conditions (e.g. tired and hungry). Alternatively, challenging negativism in others, such as negative statements and opinions that are biased or open to interpretation may also be a useful way of controlling one's own negative thoughts in order to maintain perspective.

A final element of this principle of building resilience is maintaining perspective by engaging in enjoyable, relaxing and recharging activities. Taking steps to change the scenery, pace and people around one can provide a counterbalance to the intense demands and naturally narrowing thought focus when dealing with adversity. This was variously expressed as “taking time out for myself”; “having me-time”; and “taking time to smell the roses.”

4. GENERATE POSITIVE FEELINGS

Adversity typically involves strong negative emotions which have the potential to hijack rational thought and so reduce resilience. Fear, anger, guilt and grief are commonly experienced during the “dark night” of real adversity. These negative emotions are associated with surges in adrenaline and cortisol (the “stress hormone”) which prepare the body for the life preserving fight, flight or freeze responses. In modern times however, the associated physical reactions are seldom useful, and if ex-

perienced over a prolonged period, can be harmful.

Negative feelings are in themselves not “bad” as they convey important messages about the severity of the adversity. In excess however, they can lead to substantially reduced mental and even physical functionality and thus the capability to deal with the adversity: thinking and decision-making become impaired; sleeping, eating and relaxing become difficult.

Strategies to deal with strong personal negative emotions include deep breathing, taking time out, positive self talk (although recent studies have indicated that simply reciting affirmations can in some cases do more harm than good) and meditation.

Curbing negative feelings is the first step; generating positive feelings needed for resilience in order to bounce back is the next.

Positive feelings are effectively created by connecting to your meaning in life, using your innate strengths and reaching out to others. In addition, there are two exer-



cises we have found useful in generating genuine positive feelings. The first is a savouring exercise which involves reflecting daily on three good things which you have done each day.

The second involves writing a journal of the best possible outcomes for yourself in the future on topics such as loving relationships; career; finances; physical; faith; health; hobbies and so on. Both exercises typically result in enhanced feelings of excitement and joy in living a life of involvement and potential.

5. BE REALISTICALLY OPTIMISTIC

The principle of being realistically optimistic to build personal resilience concerns choosing to live with a positive attitude. This positive attitude should be realistic however, as being over optimistic, or not having the optimism based in reality, usually results in unrealistic expectations and ultimately disappointment when they are not fulfilled.

At the heart of this principle is the strong belief that one can to a large extent influence the direction of one's life and that the inevitable problems encountered along life's journey can be solved. This construct echoes Viktor Frankl's (1982) thoughts and logotherapy concepts: "...everything can be taken from a man but one thing: the last of the human freedoms - to choose one's attitude in any given set of circumstances, to choose one's own way".

We all tell ourselves stories about ourselves to make sense of our experiences of life. These stories have the power to mould and ultimately define who we are, and in this way, the stories we tell ourselves create ourselves. Optimists view the good things they experience as permanent and affect everything, whereas the bad things they experience are perceived as temporary and have limited effect on their overall lives. Pessimists view events in exactly the opposite way.

Some people are born more optimistic than others, but the good news is that realistic optimism can be enhanced and so one does not need to be stuck in the mind-set of persistently seeing doom and gloom. One of the ways of enhancing optimism is to reframe the adversity. This enables changing the story you tell yourself, and thus choose a more balanced and positive outlook on life.

There are two additional simple but powerful exercises which can assist building resilience by enhancing realistic optimism: reflecting on the good that has happened to you over the past 24 hours and reflecting on what you are really grateful for and why. The benefits are profound: people who do these exercises regularly report enhanced optimism, positivity, energy and connectedness.

6. PERSEVERE BY BEING OPEN-MINDED AND FLEXIBLE

Dealing with adversity inevitably requires some action or some change to cope with and address difficult circumstances. Perseverance is critical.

Perseverance is however a double-edged sword. On the one hand, too little perseverance means we succumb or become disabled by the adversity. Most of us have experienced the temptation of doing nothing and even giving up when faced with really tough times.

An excess of perseverance on the other hand often results in a blinkered and bull-headed approach characterised by a fixed mindset; minimal listening; tunnel vision; and brute force to deal with the adversity. In such cases it is often "action for the sake of action" with little or no time for creative thinking or reflecting.

In this way, both too much and too little perseverance can lead to poor decisions which create their own unintended consequences. Resilience in dealing with adversity requires open-mindedness and a flexible problem solving approach, allowing for listening,

"At the heart of this principle is the strong belief that one can to a large extent influence the direction of one's life and that the inevitable problems encountered along life's journey can be solved."

consideration of differing views and being open to a change of tactics or even strategy.

In times of stress, meditation can help create inner calm enabling open-mindedness and flexibility. There are several ways to achieve this calm. One is to close your eyes, become aware of your breathing, and then to concentrate on slowing your breathing. As you slowly inhale, silently say, "let", and as you slowly exhale, silently say "go"... while also relaxing tense body muscles. This simple exercise is a great way to release emotional stress and physical tension.

7. REACH OUT TO OTHERS

"Other people matter" is the pithy finding of noted psychology researchers Christopher Peterson, Jane Dutton, Kim Cameron and others. This concept especially applies to dealing with adversity and so the seventh and last principle in building resilience is: Reach out to others.

This principle has two components – reaching out to others to ask for help, as well as reaching out to others to offer help.

Asking for help is often difficult to do. For people who have a socialised "cowboys-don't-cry" attitude, even the idea of admitting to having a problem can be very

threatening, nevermind asking for help. Males, as a generalisation, sometimes have more difficulty than females when it comes to asking for help. In addition, and again as a generalisation, the more senior a person is in the organisational hierarchy, the more difficult it is to ask for help. This may be because of the fear that asking for assistance may be perceived as evidence of not being up to the task and a sign of not coping.

As a consequence of these fears, we may err on the side of delay in asking for help and thereby allowing the problem to get worse. Like most difficult conversations, it is thus better to have the conversation asking for help sooner rather than later.

On the other hand, offering and giving support and assistance to others is usually an easier conversation – particularly in a work context if one's role requires mentoring and coaching. There is a payoff for the person giving the support – assisting others in need boosts the giver's resilience, even in cases when the giver is experiencing the same adversity themselves.

These seven principles of building personal resilience can be used to assist employees at all organisational levels deal with large scale change. Enhanced personal resilience will result in them being more receptive to the change and better able to cope with the inevitable disruptions.

The benefit to the organisation is enhanced project take-up assurance, less resistance, and quicker benefit realisation. The benefit to the staff is a life skill which enables them to cope better at work and at home.

The Building Resilience Handbook is packed with practical exercises and inspirational stories, to guide you step-by-step to develop inner strength and realistic optimism. It's the formula to not only survive but thrive in the face of life's challenges.

The book is divided into three parts. The first part covers how resilience works, the resilience building blocks, principles and steps, and includes a personal resilience questionnaire.

Part two covers seven Principles of Resilience with stories, tools and exercises on how each can be improved:

Part three applies the Building Resilience Principles and tools to work and home settings. The work section outlines several strategies with practical exercises to create resilient teams. The home section contains 24 activities to enhance and reinforce children's resilience. ■

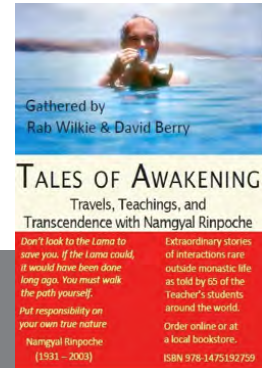


Rod Warner, has over 20 years experience in the field of performance improvement, and specializes in enhancing personal resilience. He has researched, published, lectured and addressed conferences in the field of resilience. He facilitates

two resilience workshops. "Resilient Leadership" assists leaders who drive change display resilient leadership and coach team member's resilience to deliver high performance. "Building Resilience" assists people in stressful jobs remain task focussed, calm and healthy. "The Building Resilience Handbook", despite its practical orientation, is a University of Cape Town Graduate School of Business Leadership Module textbook. Rod is married with 2 adult children and has run over 90 marathons and ultra-marathons.

Tales of Awakening

Edited by Rab Wilkie and David Berry



“Don’t look to the Lama to save you. If the Lama could, it would have been done long ago. You must walk the path yourself. Put responsibility on your own true nature.”

– Namgyal Rinpoche, Dharma Centre of Canada, 1993.

These stories, drawn from classes, travels and spontaneous conversations with Namgyal Rinpoche, a teacher of meditation and awareness, convey a level of interaction rare outside monastic life and reveal something about the students who wrote them, what they learned and a hint of the compassion and wisdom of their teacher. The insights Rinpoche shared were most relevant to those present at each time, place and set of circumstances. Whatever tradition, vehicle, scientific approach, or religious metaphor Rinpoche used, his declared purpose was to teach “compassionate, non-clinging awareness.” He vigorously supported people in breaking free of stagnation and trance to move toward the transcendent birthright of all living beings: awakening and realization.

A phrase common in Dharma tradition is “thus have I heard” — an acknowledgement of both subjectivity and non authorship of what is being reported. There is great diversity here in viewpoint and the transmissions received by students at specific moments in their lives. In the sum of the stories and differences among them, the essence of the teaching begins to emerge through the lines and between the lines — at times direct yet often subtle and intuitive. Sometimes authors share insights realized years after the lesson, perhaps even as they wrote the stories presented here.

This book invites you to notice — then transcend — trance, habit and conditioning in your own thoughts and behaviors; to shift attention to pathways which beckon you toward awakening. Through the stories authors contributed in these pages, a glimpse of the myriad gems shared by Namgyal Rinpoche may be found. May you be

well and happy as you journey the path of life’s unfolding. May whatever insights you attain be for the benefit of all.

ONE VOICE

Switzerland, 1980s | Christine Wihak

Rinpoche was offering public teachings in Zurich. A woman in the audience had been a student of the guru Osho, who had recently died. With a very worried expression on her face, she asked whether she should be taking teaching from someone other than Osho.

Rinpoche replied simply, “If you know that all the Awakened Ones speak with one voice, you should. If you don’t know that, you shouldn’t.”

FIRST CLUE

England, March, 1967 | Rab Wilkie

The afternoon, before the Chao Khun, Sobhana Dhammasudhi left England for a few weeks to teach in Canada at the invitation of an organisation called the Dharma Centre. He asked me, “Ah, Nai Robin — you come from Toronto? You know Ananda Bodhi, the Canadian Bhikkhu?”

I didn’t, but offered the Chao Khun a questioning look as if it were possible. “You might” he went on. “He is like — what do you call it — a ‘psychologist?’ He makes people angry.”

We both chuckled at that and I thought that if I ever returned to Canada I would look him up. This Ananda Bodhi sounded more like a Zen master than a patient Thai monk and maybe I needed more excitement. I’d been studying and meditating at the Thai Vihara near London for only a few weeks, but that was

an accident. There had been no Zen Roshi listed in the phonebook.

JUST A HUMAN BEING

Teaching Dharma, Dharma Centre of Canada, 2003 | David Berry

"A woman in England once challenged me," said Rinpoche to the class.

She said "You are just a human being!"

The class was quiet as Rinpoche looked around the room slowly without saying anything.

"How did you respond?" I asked.

"I denied it!" he replied with sudden emphasis having waited for the question.

He paused and spoke quietly, "I'm not *just* a human being and neither are you!"

He looked around at the assembled students again, arching his eyebrows and widening his eyes into very large circles.

"I contain lemurs! None of us is JUST a human being!"

"It is the birthright of *all* sentient beings to awaken. Our segmented vertebrae recall the worms from which we evolved hundreds of millions of years ago!"

"Don't trivialize what you are! You will continue to evolve."

BRIDGEVIEW

Kinmount, 1990s | Carina Bomers

We were standing on the bridge in Kinmount and looking at a house in the distance that was completely burned down in a fire the night before.

One of our Dharma friends had lost everything in that house and Rinpoche quietly said, "See how it can all go up in flames so fast at any time. It's best you get to work on your meditation. Those results do not disappear in any fire and last from lifetime to lifetime."

YOUR POTENTIAL

Dharma Centre of Canada, 1990s | Gerry Kopelow (Lama Gyurme Dorje)

During a retreat at the Dharma Centre, Rinpoche got into a psychotherapeutic mode. One morning he instructed us to compress the repetitive messages we had each received from parents and teachers into a couple of compact phrases then share them with the group.

"I'm a pretty, pretty girl. I'll always get along," one woman said.

"I'm a tough little boy, I don't have to cry," said someone else.

A third person related what they had received, "I will

“Man is the summation of billions of years of different forms of life on this planet. “Man” is an abstraction from this continuum of on-going existence, this continuum of evolution. We can view this continuum as varying degrees of consciousness. Man, as the highest form of consciousness on Earth, has all the previous states of consciousness within him. Each form of life wants to live. Man knows that he wants to live. But unlike the plant that will push aside any obstacle in the soil that prevents its growth to reach the light of the Sun, most of Mankind is not conscious of his deep longing to reach the light.”

—*The Vision and Other Essays*, Bhikkhu Ananda Bodhi, Toronto, 1971; p. 1-2. Used with permission from Bodhi Publishing.





“Sometimes it only takes a word.”

Namgyal Rinpoche, numerous places, 1966-2003

always be awkward and clumsy.”

All the revelations were heartfelt and poignant.

And so it went around the room, until it was my turn. As it happened, I was seated on the floor directly in front of Rinpoche.

I dutifully offered up my recollection of my own childhood conditioning: “I am very intelligent, but will never reach my full potential.”

Rinpoche elected to comment on this. In a loud voice he pronounced, “Just so! Your parents and your teachers were absolutely right!”

This elicited gasps from the group and I felt a wave of panic begin to arise — but before I plunged totally into self-pity Rinpoche leaned over and whispered directly into my ear, “Because your potential is infinite!”

Just a very quick gesture and a very quick whisper, so quick I don’t think anyone else noticed. But I certainly did, and in an instant was relieved of many years’ of unpleasant baggage.

After class I was approached by a woman who was on retreat with Rinpoche for the first time. She described herself as a ‘new-age therapist.’

“It must have been horrible to have been abused like that in such a public way,” she told me, and then she offered to help me recover from the shock.

She was very puzzled when I declined.

APPEARING, DISAPPEARING

Oslo, Norway, 1996 | Ailo Gaup

I was born in the northernmost part of Norway, the area of the Sami people. At the age of seven I was moved to southern Norway, where I grew up. I now live outside of Oslo, where I teach Shamanism as a world heritage, based on Sami traditions.

Once in the last decade of the last century a Norwegian friend, Erik Jensen, invited me to attend a teaching by a Rinpoche with whom he was studying.

I joined the audience in the meeting hall, waiting for the teacher to appear. The teacher’s attendant came in first and nodded to us as he placed some things next to the empty chair in front of us in the room.

The Rinpoche entered, walked across the room and sat down in the chair as his attendant helped him adjust the red robe around his shoulders.

Namgyal Rinpoche started to talk about meditation but within a few moments, there in front of my eyes, I experienced the Rinpoche disappearing from view. I was sitting with my eyes open and was in a clear state of mind, I tell you. But instead of a person in a chair, a shining bright light opened up.

There was no longer an ordinary person in flesh and blood in front of me — just this extraordinary flash of light floating in the room. I could see nothing else in that moment.

Changes in subtle energy patterns and colors were not new to me as a shamanic practitioner and teacher but I had never come across anything like this before.

After a while the light resolved back into Namgyal Rinpoche seated in the chair speaking to us, as ordinary yet extraordinary as only he could be.

When leaving the hall that first evening I suddenly came upon Rinpoche on the stairs. He turned and said the first words he ever said to me:

“Where were you when the dragon swallowed the black pearl?”

I was speechless.

Sometime later I got an invitation to teach workshops on shamanism at the Dharma Centre of Canada. All in all I visited the Centre seven times to teach and to study with Rinpoche.

Never did I feel as seen or as known as when in his presence that first evening and in many other interactions over the years. From that first meeting and onward I considered Rinpoche to be my teacher, both in Buddhism and in Shamanism, universal as his approach was.

“You are not going anywhere unless you constantly have a sense of the transcendental. The notions of ‘accumulating merit’ and ‘strengthening’ suggest that it is ‘out there’ or in the future. It’s happening constantly but we don’t sense it constantly until we experience ‘the thunderbolt that annihilates the rock.’ As Kabir said in one of his songs, “The unstruck drum of Eternity is sounded within me but my deaf ears hear it not.”

— Namgyal Rinpoche,
Dharma Centre of Canada, 1993



When I got the news of his death, I felt a great loss, like a hole opened in my life.

But then, when remembering how the light appeared when the Rinpoche disappeared, the light starts shining, as when I, for the first time, was in his presence ...

THE LIGHT GOES ON

Peru, 1974 | Lisa Elander (Adamson)

We were doing star-group meditations in an old monastery in the Urubamba Valley. We also did meditation with kasinas — focusing on a disk or hoop of earth, water, air, fire, natural light or a colour in it to calm the mind.

One day Rinpoche found out that one student was using a light bulb instead of a kasina and staring at it.

Rinpoche got into a thundering peroration about not following directions and rounding to a climax he bellowed, “AND IF YOU THINK YOU CAN GET THE TRANSCENDENTAL FROM A LIGHT BULB ...”

And then, because he could not tell a lie, his voice suddenly lost its thunder and very calmly he said, “...well, you can.” ■



Rab Wilkie is a writer, archaeologist, and astrologer living in Peterborough, Ontario and a Director with the Dharma Centre of Canada since 2005.



David Berry David studied with Namgyal Rinpoche and traveled with him to Antarctica, the Arctic, and diving in Indonesia. A few weeks before his death, Namgyal Rinpoche ordained David on September 11, 2003. David is currently Chair of the Dharma Centre

of Canada www.dharmacentre.org

David conducts retreats internationally. He was invited to speak on sustainability and spirituality at the Russian Academy of Science to scientists from around the world. He worked at the White House Council on Environmental Quality for six years leading teams working on Sustainable Development Indicators and Industrial Ecology which raised awareness, supported collaboration and encouraged creative action. David performed on Korean and American television and radio including on Garrison Keillor's "Prairie Home Companion". He inspires people to calm down, get in touch with their vision and inherent capacities and move forward to make a contribution. He lives near Washington D.C. and has a centre on Chesapeake Bay.

Centered Leadership Train the Trainer | 2011





The Phoenix



Mobius Consultant and Metal Sculptor, Catherine Tweedie Ball, installs her beautiful Phoenix, a special commission, in the Mobius Office (Winter 2013).

For more on Catherine's beautiful work:

www.leapmetal.com



Innovation & Leadership

Jugaad Innovation
How to Think Like Leonardo Da Vinci
Building Intrapreneurs
Teaming to Innovate
The Innovator's Solution
The Future of Work
Dreamwork and Business

Jugaad Innovation

A Breakthrough Growth Strategy

by Mobius Innovation Expert Simone Ahuja,
and Navi Radjou and Jaideep Prabhu

Jugaad is a colloquial Hindi word that roughly translates as “an innovative fix; an improvised solution born from ingenuity and cleverness.” Jugaad is, quite simply, a unique way of thinking and acting in response to challenges; it is the gutsy art of spotting opportunities in the most adverse circumstances and resourcefully improvising solutions using simple means. Jugaad is about *doing more with less*. (We feature articles and videos on jugaad on our companion website, jugaadinnovation.com.)

Jugaad is practiced by almost all Indians in their daily lives to make the most of what they have. Jugaad applications include finding new uses for everyday objects—Indian kitchens are replete with empty Coke or Pepsi bottles reused as ad-hoc containers for dried legumes or condiments—or inventing new utilitarian tools using everyday objects, like a makeshift truck cobbled together with a diesel engine slapped onto a cart (interestingly, the origin of the word jugaad, in Punjabi, literally describes such makeshift vehicles).

The word jugaad is also applied to any use of an ingenious way to “game the system.” For instance, millions of cellphone users in India rely on “missed calls” to communicate messages to each other using a prearranged protocol between the caller and receiver: think of this as *free textless* text messaging. For example, your carpooling partner may give you a “missed call” in the morning indicating he has just left his house and is on his way to pick you up. Hence, the word jugaad carries a slightly negative connotation for some. But by and large, the entrepreneurial spirit of jugaad is practiced by millions in India simply to improvise clever—and completely legitimate—solutions to everyday problems.

In this book, we delve into the frugal and flexible mindset of thousands of ingenious entrepreneurs and enterprises practicing jugaad to creatively address criti-

cal socioeconomic issues in their communities. Jugaad innovators like Mansukh Prajapati

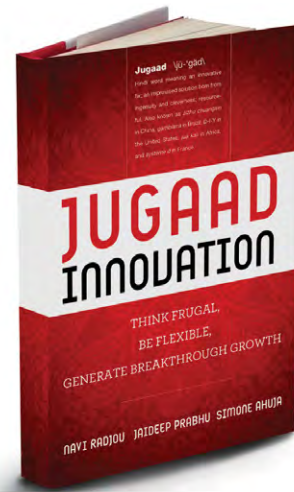
view severe constraints, such as a lack of electricity, not as a debilitating challenge but as an opportunity to innovate and overcome these very constraints.

The entrepreneurial spirit of jugaad is not limited to India. It is widely practiced in other emerging economies such as China and Brazil, where entrepreneurs are also pursuing growth in difficult circumstances. Brazilians have their own word for this approach: *gambiarra*. The Chinese call it *zizhu chuangxin*. The Kenyans refer to it as *jua kali*. The French have a term too—*Système D*. Throughout this book we profile jugaad entrepreneurs from Argentina, Brazil, China, Costa Rica, India, Kenya, Mexico, the Philippines, and elsewhere who have created simple yet effective solutions to address vexing problems that their fellow citizens face. We hope to shed light on how these jugaad innovators think and act—and identify the valuable lessons we in the West can learn from them.

Principle Two - Do More with Less

Gustavo Grobocopatel is a fourth-generation Argentinian farmer of Russian-Jewish extraction. For three generations his family pursued a small-scale, subsistence model of farming in Argentina. Grobocopatel's dream was to break out of this mold and do something more ambitious. But his vision was hindered by scarcity from the very start.

First, Grobocopatel had difficulty accessing large tracts of land. Although Argentina is a vast country, endowed



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“If I had one dollar to spend, I would invest in solving the biggest problem today—the economics of scarcity.”

Jeffrey Immelt, Chairman and CEO, General Electric

with rich soil and a favorable climate, farmland is actually hard to come by. Only 10 percent of the land is arable—and much of the arable land is controlled by a few owners who are reluctant to part with it.

Next, Grobocopatel faced a shortage of the skilled labor needed to scale up his business. Farming is labor intensive, as people are needed to fertilize, sow, tend, and harvest crops. In Argentina such labor is in limited supply, is not formally organized, is spread out across the country and can be costly to hire, especially during peak harvest seasons.

Third, Grobocopatel didn't have the capital to buy the farm equipment he needed to achieve scale without using labor. Funding opportunities to bootstrap new businesses are very limited for entrepreneurs in Argentina.

Instead of giving in to these challenges, Grobocopatel conceived and then implemented an ingenious business model. He overcame the scarcity of land by leasing it rather than acquiring it. He dealt with the scarcity of labor by *subcontracting* every aspect of farm work to a network of specialized service providers, giving him access to “freelance” laborers he hires only when they are needed. And he overcame the cost of owning equipment and the lack of access to capital by *renting* the equipment needed from networks of small local companies.

By cleverly leveraging a grassroots network of 3,800 small and medium-size agricultural suppliers, Grobocopatel's company, Los Grobo, operates as an *asset-light* company, and in this way is able to *do more with less*. Overcoming the skepticism of his peers, this jugaad entrepreneur has proven the value of his “more with less” model. In 2010, Los Grobo became the second largest grain producer in Latin America, farming over three hundred thousand hectares, trading three million tons of grain per year, and generating US\$750 million in revenue—all without owning land or a single tractor or

harvester. Having succeeded in Argentina, Los Grobo is now exporting its “frugal farming” model to Brazil, Uruguay, and Paraguay, and helping farmers there produce more with less in their local contexts.

Emerging markets are teeming with innovators like Grobocopatel. Faced with scarcity across the board, these jugaad innovators have mastered the art of doing more with less. In this chapter, we get inside the minds of jugaad innovators and the enterprises they run to better understand how they create more value with fewer resources. Although many factors hinder Western companies from adopting a “more with less” approach, doing so is increasingly imperative—as the American and European economies stagnate and face growing resource constraints. Indeed, Western firms that succeed in adopting frugal innovation methods to create affordable offerings are very likely to gain a significant competitive advantage over their peers in the tough economic times ahead.

Scarcity Is the Mother of Invention

To even a casual observer, the most striking thing about jugaad innovators in emerging markets is their frugal mindset. These entrepreneurs and managers—whether they come from Argentina, Brazil, China, India, Kenya, Mexico, or the Philippines—are constantly looking for new ways to do more with less and deliver greater value to customers at a lower cost. What makes this mindset so fundamental to jugaad innovators, and why are they so good at getting “more for less”? We believe that such a mindset is a rational response to the pervasive scarcity in their environment. For jugaad entrepreneurs, being frugal is not a luxury—it's the key to survival.

While Silicon Valley entrepreneurs typically operate in a resource-rich environment, jugaad entrepreneurs face scarcity of every possible kind. First, they must contend with the scarcity of capital. Quite simply, the



Dr. Simone Ahuja, Founder/Principal of Blood Orange with Carlos Ghosn, CEO of Renault-Nissan, at the Asia Society in New York City where they held a panel discussion last year titled, "Jugaad Innovation: Reigniting American Ingenuity". Ghosn is a strong advocate of applying this frugal, flexible and inclusive approach to innovation. He sent international teams to India to learn this approach in order to apply them in European markets with great success, as well as in India where Nissan's resurrected Datsun brand was recently unveiled under USD \$7,000. "When we were discussing with our Indian competitors how much they spent to develop a product, we thought they were missing a zero or two in the numbers."

availability of financial resources in emerging markets is limited. Banks are conservative, and venture capital and angel investor networks underdeveloped. For instance, 80 percent of South African entrepreneurs report difficulties in accessing funding. Thus, jugaad innovators cannot afford to invest in capital-intensive R&D equipment. This partly explains why a country like India spends only 0.8 percent of its GDP on R&D (compared with 3 percent in developed countries), and why the private sector's share of this spending is only 20 percent.

Second, jugaad innovators must deal with the scarcity of natural resources. Raw materials in emerging markets—from water to electricity—are expensive and hard to obtain reliably. This makes setting up and running new businesses—especially in the manufacturing sector—costly and difficult.

Third, jugaad entrepreneurs face a scarcity of qualified talent. Emerging markets like India, Brazil, and China have huge populations. But only a small percentage of these populations are qualified professionals who can use or deploy the offerings of emerging market entrepreneurs. According to a survey conducted by ManpowerGroup, 67 percent of enterprises in India and 57 percent of those in Brazil have difficulty finding qualified technicians, sales representatives, engineers, and IT staff. As a result, it is hard to sell complex medical devices in rural areas with few qualified doctors. Or to sell PCs to village schools where teachers lack computer literacy.

Finally, jugaad innovators face a scarcity of quality infrastructure. The poor roads and limited transportation options in emerging markets make it difficult to get goods and services to far-flung places in a timely fashion. Moreover, the cost of doing so becomes a huge challenge, limiting the reach of markets in emerging economies.

In addition to pervasive scarcity, jugaad innovators also have to contend with a frugal and demanding consumer base. This consumer base has low disposable income. For instance, three hundred million Indians earn less than \$1 a day. Many of these people either go without or are very careful about what they buy. This forces jugaad innovators to radically rethink price points. Their offerings have to be extremely affordable, not just barely so.

These consumers are also very value conscious. They may be low earners, but they also are high "yearners." Given their high aspirations, these consumers reject new offerings that do not deliver significantly higher value than existing offerings do. This puts a lot of pressure on jugaad innovators to develop higher value offerings at a lower price.

Finally, the consumer base in emerging markets is huge and diverse. Markets like China, Brazil, and India have millions of consumers. But these consumers are not homogeneous. To deliver higher value to a large and diverse base, jugaad innovators have to find clever ways of deriving both economies of scale and scope in whatever they do.

The pervasive scarcity and the demanding nature of the consumer

base make jugaad innovators masters of frugality. Let's consider some of the ways in which they manage to do more with less.

Being Resourceful in a Resource-Scarce Environment

Jugaad innovators are able to get more from less by applying frugality to every activity they perform at every step along the value chain. They are frugal in how they design products, how they build them, how they deliver them, and how they perform after-sales maintenance. Their frugality shows up not only in their parsimonious use of capital and natural resources but also in how they maximize their limited time and energy: rather than doing everything themselves, they rely extensively on partners to perform various operations, thus saving time and energy. The following are some frugal approaches employed by jugaad innovators to gain more from less.

They Reuse and Recombine

Rather than creating something entirely new, from scratch, jugaad innovators are more likely to reuse or seek new combinations of existing technologies or resources both to come up with new solutions and to commercialize them in markets. For instance, Zhongxing Medical, a Chinese medical device maker, borrowed Digital Direct X-ray (DDX) equipment technology from its parent company (Beijing Aerospace)—which wasn't using it effectively—and reengineered DDX for use in everyday applications like chest X-rays. As a result, its X-ray machines cost just \$20,000 to build, compared to \$150,000 for the equivalent GE and Philips models (which use DDX only for high-end applications). By creating low-cost, mass-market applications out of an underused technology, Zhongxing cornered 50 percent of the Chinese X-ray machine market—forcing rival GE to cut its prices by 50 percent while Philips, unable to compete, withdrew from this segment altogether.





“This mental balancing act – exploring the new while exploiting what’s working – does not come naturally. Companies with a winning strategy tend to refine their current operations and offerings, not explore radical shifts in what they offer. But those companies that can both exploit and explore, research finds, are ‘ambidextrous’: they separate each strategy in separate units, with very different ways of operating and cultures. At the same time they have a tightly knit team of senior leaders who keep an eye on the balance of inner, outer, and other focus.

What works at the organizational level parallels the individual mind. The mind’s executive, the arbiter of where our focus goes, manages both the concentration exploitation requires and the open focus exploration demands.”

—Charles O’Reilly III and Michael Tushman, “The Ambidextrous Organization,” *The Harvard Business Review*, April, 2004

Similarly, jugaad innovators in African countries are leveraging existing cellphone networks to devise frugal business models that make services like health care and banking affordable to more people. In Kenya, for instance, only 10 percent of the population has access to banking services. Yet mobile penetration is over 50 percent. Sensing an opportunity, Safaricom, a local telecoms service provider, 40 percent owned by UK-based Vodafone, launched a service called M-PESA in 2007. M-PESA is an SMS-based (text message) system that enables people to spend, save, and transfer money using their cellphones at a fraction of the cost of money transfer services like Western Union—and *without* having a bank account. Users of M-PESA can convert cash into electronic money that is stored on their cellphones at any one of hundreds of M-PESA outlets, including village mom-and-pop shops that act as M-PESA agents. On receiving an M-PESA user’s cash, the agent texts the equivalent amount in electronic money (e-money) to the user’s phone. The user can then text a part or all of this e-money to either an M-PESA agent or to another M-PESA user. All the e-money in circulation is backed up by real money in a bank account owned and managed by Safaricom. This safeguards the system against fraud while obviating the need for users to have their own bank accounts. As of this writing, over fourteen million Kenyans—or 68 percent of the country’s adult population—have subscribed to M-PESA. This is much more than the number of people who have bank accounts! Migrant workers in Kenyan cities now routinely use M-PESA to safely and cost-effectively transfer earnings to their families who live in remote villages.

They Remain Asset-Light

A second strategy that jugaad innovators use to get more from less is to leverage the

capital assets of others to scale up their business model. This is precisely what Gustavo Grobocopatel did in Argentina. But Grobocopatel is hardly an exception. Many jugaad entrepreneurs in emerging markets choose to operate an “asset-light” business model with as few fixed assets as possible on their balance sheet. Thus, instead of owning physical assets, they rent or share them. This approach not only makes their cost structures lean but also allows them to quickly scale operations up or down to meet shifts in demand without investing in additional assets.

For instance, Indian cellphone companies like Bharti Airtel used this frugal strategy not only to get started but also to turn their industry into one of the largest and most competitive in the world. In the early 2000s, as the mobile revolution was taking off in India, Airtel was short of both the capital and the technology it needed to scale up its business. Undeterred, Airtel’s chairman Sunil Mittal used a jugaad approach to getting more with less: he boldly decided to outsource all but key marketing and branding activities to partner companies that had capital, technology, or both. Today, IBM manages Airtel’s IT infrastructure while Ericsson and Nokia Siemens Network (NSN) manage its network infrastructure. (This might just be one of the first examples of Indian companies outsourcing to Western ones, with both benefiting hugely from the process.) Today Airtel—which boasts over 170 million subscribers—is the world’s largest “asset-free” telecom service provider. It is also the first mobile carrier that dared to outsource all its core network in-

frastructure; most telecom operators prefer to own and manage this in-house given its strategic nature. Its frugal operating model enables it to deliver better value to its customers at less cost. By transforming fixed technology costs into variable costs, Airtel not only succeeded in getting more for less, it also did so at breakneck speed—at times signing up as many as ten million subscribers per month.

They Leverage Existing Networks for Distribution

A third “more with less” strategy that jugaad innovators use is focused on solving the “last mile” problem—that is, the difficulty of reaching far-flung customers in an economical way. Rather than investing in expensive logistics networks, jugaad entrepreneurs leverage existing networks to cost-effectively deliver their products and services to people in hard-to-reach markets. In particular, they rely on grassroots partners in local communities to reach more customers and personalize their offerings for them. These grassroots distribution partners are often micro-entrepreneurs themselves. By building on already developed and trusted social networks in emerging markets, jugaad innovators can compensate for the poor state of the physical infrastructure there. More important, by enrolling grassroots entrepreneurs as their channel partners, jugaad innovators drive their own financial sustainability while also creating new economic opportunities in local communities. ■



Photo by Dan Terpstra

Dr. Simone Ahuja is the founder of Blood Orange, a marketing and strategy advisory boutique with a focus on innovation and emerging markets. Simone serves as part of the Mobius team of Innovation experts. Headquartered in Minneapolis, with partners around the globe, Blood Orange shares and practices innovation principles learned through extensive work in India, including jugaad – a frugal, flexible and inclusive approach to innovation inspired by emerging markets. She regularly conducts ethnographic, background, and academic research on innovation occurring at the grassroots level in emerging markets with social entrepreneurs, to that of US-based multinationals. Simone is the co-author of *Jugaad Innovation: Think Frugal, Be Flexible, Generate Breakthrough Growth* (Jossey-Bass, 2012). *Jugaad Innovation* has been published in the US, Brazil, Holland, France and India, where it is a #1 business bestseller, and has been called “the most comprehensive book yet on the subject” of frugal innovation by the Economist.

Dr. Ahuja has served as a consultant to the Centre for India & Global Business at Judge Business School, University of Cambridge, and as an associate Fellow for the Asia Society in New York City. She provides advisory services, keynotes and interactive innovation labs to entrepreneurs, academic institutions, and corporations including PepsiCo, Best Buy, Procter & Gamble, 3M, Medtronic, the World Economic Forum, MIT, and Harvard University. She is a regular columnist for the Harvard Business Review online. Contact: Simone.Ahuja@mobiusleadership.com

How to Think Like Leonardo da Vinci

by Michael J. Gelb, Mobius Innovation Expert
and Transformational Faculty Member

When I was a child my two main role models were Superman and Leonardo da Vinci. Eventually I discovered that Superman was only a comic book character, but Leonardo was real. One of the marvelous things about being human, once you're a grown-up, is that you can choose who and what you want to imitate. So if you want to learn creativity, it makes sense to model the most creative person who ever lived: Leonardo da Vinci.

Leonardo serves as a global archetype of human potential. He was a great athlete; a gifted musician; he was brilliant mathematically; a wonderful writer; one of the greatest artists who ever lived; a pioneer in the modern disciplines of botany, anatomy and geology; an inventor who conceptualized the submarine, snorkel, flying machine, and helicopter. Leonardo invented the parachute before anyone could fly - that's thinking ahead! And he was charming, a great storyteller and a humorist. If you think of psychologist Howard Gardner's idea of the seven intelligences - verbal, mathematical, mechanical, musical, kinesthetic, interpersonal and intrapersonal - Leonardo was a genius in each of those areas.

All healthy children are born with the same cortical endowment - about 100 billion neurons - as Leonardo. We are born curious and creative. What happens to our natural capacity for creativity? School. Children embody the first da Vincian principle of *curiosita* (passionate curiosity). Like Leonardo, they want to know everything with incredible passion, and they ask a lot of questions. Overworked and underpaid teachers say, "We don't have time for all these questions" or "That's a silly question." In most cases, school isn't the place for creativity or self-expression. Instead, the focus is on behaving well, getting the right answer, jumping through hoops and avoiding mistakes.

Our educational system evolved that way because there was a need in the Industrial Age for people who

could take their place on the assembly line or work in a bureau-

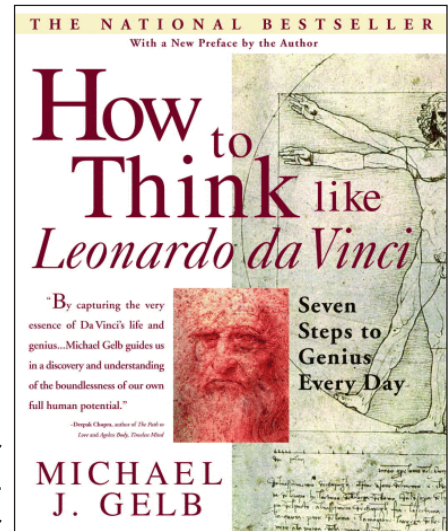
cracy where the most important skill was to follow directions. For the last 35 years I've been working with clients who are attempting to undo these bureaucratic tendencies. This requires people to learn how to think differently.

In school we learn about history, math and English, but the curriculum still does not focus on learning how to think creatively. Creative thinking is responsible for all of humanity's greatest leaps forward, yet most people have never learned how to do it. When I began studying Leonardo's notebooks looking for clues to his approach, I asked these questions: What were his methods for creative thinking, problem-solving, and learning? How could his methods be abstracted and applied to the concerns of my clients?

We think of Leonardo as the supreme Renaissance Man because of his exceptional accomplishments in both art and science. Leonardo advises his students to "study the science of art and the art of science." The fifth principle for thinking like Leonardo is *Arte/Scienza*: balancing art and science, logic and imagination, reason and intuition.

I encourage my clients to balance their logical, analytical orientation with a more imaginative, intuitive approach. There tends to be a split between these modes, both among individuals and across organizations. For example, the linear thinkers in the accounting department tell the more imaginative people in marketing that they have their heads in the clouds and don't understand the bottom line. The people in marketing often complain that the bean counters don't see the big picture.

How can we train our minds to operate in a more



balanced way? The most useful tool I've discovered is Mind Mapping.

Mind Mapping: The Da Vinci Thinking Tool

Think about the last book you read or the last seminar you attended. Imagine that you have to write a report on that book or seminar. Begin recalling the information. As you do, observe the process of your mind at work. Does your mind work by constructing whole paragraphs, by presenting ordered outlines to your mind's eye? Probably not. Chances are that impressions, key words, and images float into mind, one associating with the next. Mind Mapping is a method for continuing this natural thinking process on paper.

Mind Mapping originated as a tool for note taking and note making. Note taking focuses on recording someone else's thoughts, as from a book, lecture, seminar, or meeting. Note making is for generating, organizing, and integrating your own thoughts and for fully incorporating the thoughts that you've learned through note taking into your own thinking process.

Although Mind Mapping is used in a wide variety of specific applications including strategic planning, presentation design and delivery, academic study, and creative problem solving, its greatest value comes from its power to train you to think in a more creative way, like Leonardo.

Beyond the Outline

Most of us grew up learning to express and organize our thoughts by making outlines. The traditional outline begins with "Roman numeral one." Have you ever spent an inordinate amount of time waiting for idea 1?

Perhaps you finally get idea Roman numeral I after twenty minutes or so, and you continue your outline down to point 3b when you realize that point 3b should be point 4a. You cross it out and draw an arrow. Now your outline is getting messy. And we all know that outlines must be *neat*. Perhaps you become distracted by this mess and start to doodle or daydream. Your repressed imagination tries to express itself through doodling and daydreaming, but with the doodling, your outline is even messier, and you feel guilty for daydreaming. So you crumple up your paper and start again.

Outlining is a reflection of a hierarchical mindset. Although valuable as a tool for presenting ideas in a formal, orderly fashion, *it is useful only after the real thinking has*

been done. If you try to generate your ideas by outlining, you will find that it slows you down and stifles your freedom of thought. It is just plain illogical to try to organize your ideas before you've generated them.

Moreover, outlining and other traditional note-making systems exclude your brain's capacity for color, dimension, synthesis, rhythm, and image. By imposing one color and one form, outlining guarantees monotony. Outlining uses only half of your mind, and half a mind is a terrible thing to waste.

Create a Positive Feedback Loop

Mind Mapping is based on the assumption that our notes are manifestations of our thinking. If we manifest our thoughts in harmony with the natural functioning of the mind, we think better. In other words, Mind Mapping works by creating a positive feedback loop between your brain and your notes. Mind Mapping trains you to manifest your thoughts in a way that makes it easier to see the whole picture and the details, to integrate logic and imagination, art and science. It encourages an integration of convergent and divergent thinking. By allowing you to capture a tremendous amount of information on one piece of paper, mind mapping helps you see the relationships, connections, and patterns of your ideas. Regular practice of mind mapping trains you to look at your job, your family, yourself, and your world in a more creative, systems-oriented manner.

Mind Mapping: Streams of Development

Before you learn how to mind map, let's consider its origin and development. Mind Mapping was originated by Tony Buzan. Since 1975, we have been working together to refine the discipline and to develop new strategies for teaching it. State-of-the-art mind mapping is based on the confluence of the following streams of research and understanding:

Mind Mapping is based on studies of note-taking skills.

In the late 1960s, Tony Buzan worked at the College of Advanced Reading in England, where he taught speed-reading and study skills to students while researching methods for improving learning, memory, and creative thinking. He did an extensive study of various note-taking styles, aiming to discover what would work best for his students.

Drawing on the research of Prof. Michael Howe, at Exeter University, Buzan concluded that the best note takers shared two distinctive characteristics. First, they used key words. Key words are the nuggets of creative association and recall. They are information rich. If you think of a key word, it inspires other key associations.

Professor Howe's other important finding was that the best note takers keep their notes clear and easy to read. Many students suffer from an inability to read their own handwriting, making their note-taking efforts useless. Howe observed that the best note takers took the time to print their notes. Printing, in addition to making the notes easier to read, *imprints* the key thought more clearly in the mind of the note taker.

Mind Mapping is based on the psychology of memory.

From the time of the ancient Greeks it's been clear that there are two key elements of recall: association and emphasis.

You remember things because you associate them with something else, and the Greeks noticed that imagery, color and other sensual elements created more emphasis and that this made associations more memorable. In a Mind Map you use key words, images and color to make your notes much easier to remember.

Mind Mapping is based on an understanding of networks and natural systems.

Contemplate the structure of a tree; it is a network of life, expanding in all directions from its trunk, its center. Take a helicopter ride over a major city; it is a sprawling structure of interconnecting centers and pathways, main arteries connecting with side roads. Our global telecommunication system and Internet are similarly linked networks. The structure of communication in nature is nonhierarchical and self-organizing; it works through networks and systems. The ability to read, align, and work creatively with these systems is ultimately the definition of intelligence.

The most amazing system of all is right inside your skull. The basic structural unit of brain function is the neuron. Each of our billions of neurons branches out from a center, called the nucleus. Each branch, or dendrite (from dendron, meaning "tree"), is covered with little nodes called dendritic spines. As we think, electrochemical information jumps across the tiny gap between spines. This junction is called a synapse. Our thinking is a

function of a vast network of synaptic patterns. A Mind Map is a graphic expression of these natural patterns of the brain.

Our minds work best when we integrate all of our higher capabilities in a way that reflects the balance of logic and imagination. Mind Mapping integrates the convergent aspects of our mind's functioning: logic, language, mathematical reasoning, attention to detail, sequence, ordering, and analysis, with the more divergent elements: dimensionality, rhythm, color, pictures, symbols, imagination, and synthesis. Mind Mapping "rescues" these elements, previously relegated to the realm of doodling and daydreaming, making them a productive part of our thinking and problem solving.

Mind Mapping is based on what great minds do.

The note-taking styles of many of history's great brains such as Charles Darwin, Michelangelo, and Leonardo da Vinci, feature a networked, branching structure, lots of creative doodles, sketches, and key words. Mind mapping integrates and formalizes what the creative mind wants to do.

The Rules of Mind Mapping

The rules of Mind Mapping are based on the information just presented on effective note taking, the nature of memory, observation of nature, a practical understanding of the structure and design of the human brain, and study of the thinking patterns of great brains.

1 Begin your mind map with a symbol or a picture at the center of your page. Starting at the center rather than at the top of the page helps to free you from the limitations of hierarchical, "top-down" thinking. It opens your mind to a full 360 degrees of association. Pictures and symbols are much easier to remember than words and enhance your ability to think creatively about your subject. Your drawing will serve as the home base for your creative associations. Don't worry if you think you can't draw, just do the best you can. You can get the "brain benefits" without being a Leonardo da Vinci or Georgia O'Keeffe.

2 Use key words. Key words are the information-rich nuggets of recall and creative association. They are easier to remember than sentences or phrases. Key words



THE 7 DA VINCI PRINCIPLES

1. **Curiosità** – An insatiable quest for knowledge and continuous improvement
2. **Dimostrazione** – Learning from experience. Independent thinking
3. **Sensazione** – Sharpening the senses
4. **Sfumato** – Managing ambiguity and change
5. **Arte/Scienza** – Whole-brain thinking
6. **Corporalità** – Body-mind fitness
7. **Connessione** – Systems thinking

The seven da Vincian principles can form the basis for an enlightened, renaissance training program: Inspire curiosity and the desire to learn; teach people to think for themselves and learn from mistakes; help people sharpen their senses and cultivate mindfulness; guide them to access intuition in order to manage complexity; craft training so that it appeals to logic and captures the imagination; add a kinesthetic, movement component into all training to inspire body and mind; connect what you're teaching so it's clearly relevant to learners and something they perceive as important to the vision, mission and values of the organization.

can be generated faster than sentences or phrases, without sacrificing meaning. Moreover, training yourself to look for key words enhances your ability to get to the essence of your material.

3 Connect the key words with lines radiating from your central image. By linking words with lines (branches), you'll show clearly how one keyword relates to another. Connect the lines for maximum clarity.

4 Print your key words. Printing is easier to read and remember than writing.

5 Print one key word per line. By doing this, you free yourself to discover the maximum number of creative associations for each key word. The discipline of one word per line also trains you to focus on the most appropriate key word, enhancing the precision of your thought and minimizing clutter.

6 Print your key words on the lines and make the length of the word the same as the line it is on. This maximizes clarity of association and encourages economy of space. (You will need plenty of space because you will be generating ideas faster than ever!) Avoid letting your key words "float" off the lines. This graphic disconnection short-circuits the flow of association.

7 Use colors, pictures, dimension, and codes for greater association and emphasis. Highlight important points and show relationships between different branches of your mind map. You might, for instance, prioritize your main points through color-coding, highlighting in yellow the most im-

“One of the marvelous things about being human, once you’re a grown-up, is that you can choose who and what you want to imitate. So if you want to learn creativity, it makes sense to model the most creative person who ever lived: Leonardo da Vinci. ”

—Michael Gelb, *How To Think Like Leonardo da Vinci*

portant points, using blue for secondary points, and so forth.

Pictures and images, preferably in vivid color, should be used wherever possible; they stimulate your creative association and greatly enhance your memory. Codes, such as asterisks, exclamation points, letters,

shapes, and numbers, can be used to show relationships between concepts and to serve as tools to further organize your map.

As you experiment with mind mapping, its advantages will become obvious. Mind Mapping gives you easier access to your creative power. It allows you to start quickly and generate more ideas in less time. Its free-ranging format—adding words to one branch one moment, then skipping over to another branch the next—increases your chances of generating new ideas. Mind Mapping lets you develop a logical sequence and detailed organization of your material while encouraging imagination and spontaneity.

It allows you to represent a tremendous amount of information in a relatively small space. You can have all your notes for a topic on one piece of paper, with your ideas arranged in a way that encourages you to see relationships between them. Mind Mapping helps you see connections among things that may have seemed completely separate. It gives you a clear view of both the details and the big picture of your subject.

Remembering your material also becomes much easier. Colors, images, and keywords, three central ingredients of Mind Maps, are much more engaging to the brain than sentences. A well-made mind map is almost impossible to forget!

Perhaps the greatest advantage of mind mapping is that by nurturing your unique, individual self-expression it makes thinking, working, and problem solving a lot more fun. ■



Michael J. Gelb is the world’s leading authority on the application of genius thinking to personal and organizational development. He is a pioneer in the fields of creative think-

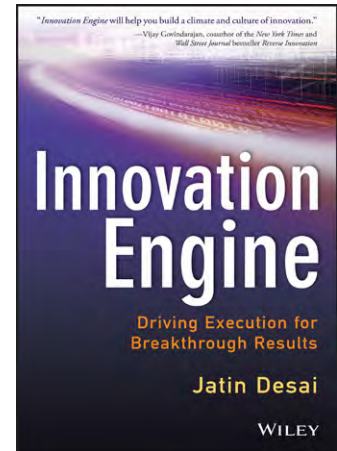
ing, accelerated learning, and innovative leadership. Gelb leads seminars for organizations such as DuPont, Merck, Microsoft, Nike, Raytheon and YPO. He brings more than 35 years of experience as a professional speaker, seminar leader and organizational consultant to his diverse, international clientele. Michael is the author of 13 books on creativity and innovation including the international best seller *How to Think Like Leonardo Da Vinci: Seven Steps to Genius Every Day*.

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Building Intrapreneurs

by Jatin Desai, Author of *Innovation Engine - Driving Execution for Breakthrough Results*

“Intrapreneurs are well suited to transform an organization more quickly and effectively because they are naturally wired differently and exhibit some critical attributes. They are highly self-motivated, free thinkers and masters at navigating around the bureaucratic and political inertia of most large companies.”



Innovations occur when great corporate innovators generate real wealth, not just great ideas. Leaders who overutilize resources and underdeliver value cannot be called real innovators. Innovation requires diversity in ability and competence of your people. Pair them together as often as you can, and they will drive growth and performance. Create a pool of intrapreneurs as a certified group of growth resources in every part of your business.

The book *Innovation Engine* details a systematic process to help build an organization's engine for innovation while operating the *performance engine*. In the earlier chapters it details how to create a case for culture of innovation across your organization and proposes how to create urgency for innovation, build an innovation strategy, create an innovation roadmap, and maintain momentum to gain support from all key stakeholders in the company. The book also introduces a framework for how to manage the entire innovation program, specifically, the innovation management process—to help find ideas, evaluate them, select the best ones, and properly guide them toward successful implementation while reducing risk of failure. To be awfully successful at deploying your *Innovation Engine*, you will need to build a bench of corporate innovators - Intrapreneurs.

Intrapreneurs and Intrapreneurship

Intrapreneurs are well suited to transform an organization more quickly and effectively because they are naturally wired differently and exhibit some critical attributes. They are highly self-motivated, free thinkers, and masters at navigating around the bureaucratic and political inertia of most large companies.

Intrapreneurship allows companies to grow business, find and retain talent, and compete with peer companies. Intrapreneurship has been the key to excite and motivate the creation of innovative products, processes, services, and partnerships for companies like Procter & Gamble, Raytheon, 3M, Nokia, Tata, and Google.

Innovations arise from great ideas and persistent problem solvers. The very best innovators are called intrapreneurs, a term coined in 1986 by Gifford Pinchot III to describe these exceptional entrepreneurs working inside the corporations. Many intrapreneurs could easily start their own businesses.

The good news is that you already have some natural intrapreneurs in your company. Some you know about, but most are hiding. An important task is to find these talented individuals and unleash their creativity with a supporting environment.

Intrapreneurs are not always your top talent or the

rebels or mavericks. But they *are* unique and *are* certainly the opposite of ‘organization men’. When you find them, support them correctly, and magic *will* occur.

In our informal research, teaching executive MBA students, speaking at conferences, and working with our global clients, we have surveyed thousands of executives over the last two decades. Of all we surveyed, only six executives identified themselves as being idea poor. Ask any CEO of a public company and the same will be true.

Finding ideas is not the problem. The real challenges firms face have to do with selecting the best ideas, testing them quickly, executing them flawlessly, and getting their ideas to spread. This is a crucial point.

To build your **Innovation Engine**, your firm must excel at operationalizing ideas from your energized people who are willing to do everything in their power to fight off every internal resistance without creating chaos—these are your intrapreneurs.

Intrapreneurship

Intrapreneurship, a word shortened from the term intra-corporate entrepreneurship, refers to the entrepreneurial activities of employees within the boundaries and auspices of a larger organization. A *Harvard Management Update* article describes intrapreneurship as “bottom-up, off-the-beaten-track business building, spearheaded by people who were working as line managers or employees.” A popular example of intrapreneurship is Skunk Works, the alias for Lockheed Martin’s advanced development program, where a group of engineers step outside the bureaucratic environment of the corporation to develop successful and innovative products.

In many decentralized organizations, CEOs feel that they have done their part by giving strategic and operational autonomy to each line of business and then leave the rest up to them. In theory, that works if the goal of the business is to streamline, drive operational efficiencies, create certainty, reduce risk, and keep everything status quo. Most management and control systems, as we discussed in Chapter 7, are designed to dumb down decision making and restrict operational freedom.

On one hand the CEOs provide autonomy but also enforce corporate control systems (see Chapter 7) on the business units. This forces business unit barons to comply with the CEO and, in turn, block hands-on innovation efforts by their very own intrapreneurs.

For employees, one of the major benefits of intrapre-

neurship is the freedom to work independently (or on a team) on tasks defined by the group but still aligned to the needs of the organization.

In a firm with 5,000 employees, there are at least 200 natural innovators, and of these at least 25 are great intrapreneurs. It is these individuals who will build the next business for your firm. Don’t be mistaken: The top talent your human resources group tracks are not the only members of this top 25 list.

Intrapreneurship is the process used to identify, cultivate, and make these groups successful—the 200 innovators and 25 intrapreneurs.

Brief History of Silicon Valley

In the 1950s, Robert Noyce was credited with inventing technology that eventually became the microchip. After getting his Ph.D. from MIT, he worked for Shockley Semiconductor. Semiconductors was a young industry at the time, and Noyce had countless ideas. But to his frustration, the “experienced” executives did not welcome those ideas. In 1957, Noyce and seven bright engineers left to start Fairchild Semiconductor, which invented semiconductor technology. In 1968, Noyce and Gordon Moore cofounded Intel—the inventor of microprocessor technology. Today, Noyce is well regarded as the father of Silicon Valley. It was his disturbing experience at Shockley that prompted him to create a casual working environment for his young budding engineers at Fairchild and Intel. In many ways, he defined the Silicon Valley working style that has given the world innovations in every sector.

In the late 1970s, the great inventor Ed DeCastro created the extremely successful PDP-8 minicomputer for Digital Equipment. Later he was unsuccessful at convincing Digital Equipment leaders to support another new computer idea and left to start Data General, which became the fourth-largest computer manufacturer.

Data General was sold to EMC Corporation in the 1990s. Around the same time, Steve Wozniak also hit walls at Hewlett-Packard with his idea for a PC. He reluctantly left to join Steve Jobs, who had unsuccessfully pitched a similar idea at Atari, and that was the start of Apple.

Failed Leadership for Innovation

When we look closely at businesses, we find that this happens all the time. Smart people leave companies to start their own ventures because their firms did not be-



“It may surprise you that many senior leaders are actually afraid to promote out-of-the-box thinkers for fear of losing their best employees to success and then to competitors; this is a sure sign of failed leadership.”

lieve in intrapreneurship as a critical tool for growth.

It may surprise you that many senior leaders are actually afraid to promote out of-the-box thinking for fear of losing their best employees to success and then to competitors; this is a sure sign of failed leadership.

Tomas Chamorro-Premuzic addresses this issue in a recent article titled “How Bad Leadership Spurs Entrepreneurship.” He argues that 70% of successful entrepreneurs have one thing in common: They got their business idea while working for a previous employer.

These talented individuals left because the organization they worked for did not have an intrapreneurial process to pitch their ideas and their boss was unbearable. Most employee engagement research confirms this point.

This is good news and bad news. The good news is that additional new small businesses create many new jobs. Since the 1980s, America has seen 50 million jobs replaced with 100 million new “skilled” jobs. Entrepreneurial ventures also attract global minds to the United States. In the same article, Chamorro-Premuzic men-

tions that 50% of the world's skilled immigrants go to the United States for jobs. He explains:

"There are at least 500 start-ups with French founders in the San Francisco Bay area, and there are over 50,000 Germans in Silicon Valley, where salaries for software engineers are much higher than in Europe (or elsewhere)."

The obvious bad news is how ill-equipped large corporations are at retaining and benefiting from such bright minds. One can argue that for large corporations, this is not bad news since most small businesses fail. So, if a large company allowed these employees to try their ideas, the corporations would experience more failure. It is true that not everyone within a company would be a successful entrepreneur outside. But if anyone can identify the best entrepreneurs, it is likely the company itself can, given its deep HR processes, expertise, and access to resources.

When there is failed leadership for innovation, it is often because managers and leaders did not create an environment for employees to master the skill of intrapreneurship. Managers must be taught to attract, develop, and retain entrepreneurial talent for strategic growth of a firm. Sheryl Sandberg understands this at Facebook, Larry Page and Serge Brin understood this when they brought in Eric Schmidt at Google. Ratan Tata understood this when he and the Tata board selected Cyrus Pallonji Mistry to be his successor, and Steve Jobs understood this when he hired Tim Cook.

Embedding Intrapreneurship

For a company, intrapreneurship is the ability to think big and small at the same time while unleashing the entrepreneurial spirit of each employee in the firm. For an individual, intrapreneurship is the method and mind-set of becoming a force of positive change and ingenuity every day.

For a long time, the business world has believed that a carefully structured product development process is the key to unplanned entrepreneurial passion. A plethora of research proves this to be false. Invariably, in large organizations, innovation never happens without an individual or small team passionately working on a unique idea.

When such people start up new companies, they are called entrepreneurs. Inside large organizations, we call them intrapreneurs. To help operationalize innovation, we recommend embedding intrapreneurship within your HR competency model.

Successful Intrapreneurs

In the course of our firm's work over the past 25 years, we have met hundreds of great intrapreneurs. In 2008, our firm launched a research study to obtain deeper insight into how one becomes a successful intrapreneur.

During the study, we were given the freedom to explore the IQ, EQ, and spiritual quotient of the participants. I am deeply indebted to all of them for allowing us to find their unique and similar patterns by getting into their heads and hearts. Twenty-six candidates participated, with variety of global experiences in 11 different industries. Our research team used three primary criteria to select candidates for the study:

1. Experience in successfully building or growing a new product/service or starting a new business in a listed/public company of 2,000 or more employees that has been in business for at least five years
2. Contributed to the company's top line (e.g., through product development, a new distribution channel, new markets, or new services)
3. Evidenced an exceptional knack for uncovering and seizing opportunities to help advance business growth

After evaluating the research, we discovered six patterns that made our intrapreneurs very successful. Armed with these new insights, we started Phase II of the project—to validate our findings in practice. We informally surveyed and watched in practice hundreds of corporate employees during workshops or consulting projects and weighed the data against our research insights. You can read the stories of our intrapreneurs in Chapter 8 of *Innovation Engine*.

Six Intrapreneurial Patterns

By studying great intrapreneurs, it became very clear why they were extremely successful.

Pattern #1: Money Is Not the Measurement

The primary motivation for intrapreneurs is *influence with freedom*. One hundred percent of our candidates clearly demonstrated this pattern—with story after story. This doesn't mean they don't want to be rewarded fairly. It means that money is not the starting point for them. Reward and compensation are like a scorecard of how well they are playing the game of being a successful intrapreneur, but it is not the game.

Pattern #2: Strategic Scanning Intrapreneurs we met are constantly thinking about what is next. They always

“Discipline has to do with the hard work of identifying your core values and aligning them with an organizational vision and values. This vital task of identifying purpose and values alignment is foundational to finding meaning at work. Ultimately its meaning that will inspire passionate output from every employee toward greatness and, therefore, innovation success.”

seem to be one step into the future— what we call the second pattern, strategic scanning. These change agents are highly engaged, passionate, very clear, and visibly consistent in their work and interactions. They are not sitting around waiting for the world to change. Often they are figuring out which part of the world is about to change and arrive just in time to leverage the new insights. They love to chase the new and novel—not for the sake of new, but to make shifts in their surroundings. This makes them natural trend hunters. Learning is like oxygen to them.

Pattern #3: Greenhousing When the idea seed is formed, the intrapreneurs tend to contemplate on it for days and weeks between calls, meetings, and conversation. As they shine more light on it, it becomes clearer, but not bright enough to share it with potential naysayers. They are afraid to share it too early, because often, others will dismiss it without fully appreciating it. So, they protect it for a while. This is the third pattern—greenhousing the ideas.

Pattern #4: Visual Thinking Intrapreneurs grow the idea by applying visual thinking. The fourth pattern, visual thinking, is a combination of brainstorming, mind mapping, and design thinking. Only after an exciting insight do they seem able to formulate and visualize series of solutions in their head—not just one. They never converge on a solution the first time around. They are keenly aware of the need to honor the discovery phase for the new solution, giving it time to crystallize in their heads and hearts. They know that the first solution is not the best solution. They allow themselves to say “I don’t know all that I need to know about this or that. So what else is possible?”

Pattern #5: Pivoting Once more, 100% of intrapreneurs we interviewed practiced the fifth pattern called

pivoting. Pivoting means making a courageous and significant shift from the current course of action, a shift most people would never make. For example, Apple and Steve Jobs pivoted from being an education and hobby computer company to a consumer electronics company in the late 1990s. Wipro of India pivoted from being a small vegetable oil manufacturer to a software outsourcing powerhouse because of the vision and courage of their CEO, Azim Premji. When Zappos started in 1997, it wanted to sell shoes without touching shoes. The company almost went bankrupt. The now-famous founder and CEO Tony Hsieh pivoted to only selling shoes that were in the Zappos warehouse. Zappos shifted from being an online shoe company to an online customer experience company. In 2009, Amazon bought Zappos for \$1.2 billion. Speaking of Amazon, Jeff Bezos pivoted Amazon from being the world’s largest online megamall that sold everybody else’s stuff (books, music, apparel, computers, electronics and DVDs) to selling its own hardware—the Kindle line of readers. Bezos knew that e-books would not sell without e-readers. This strategy has paid off well—as of this writing, Amazon owns about 60% of the e-reader market share, and its market capitalization value is north of \$100 billion. These entrepreneurial leaders embody pattern 5—pivoting.

Pivoting means making a strategic change from the current path you have chosen. For high-tech venture capital-funded start-ups, it is a badge of honor. It is expected. For others, it is an admission of failure. The period leading to making a pivot decision is filled with tremendous pressure to change—by the management and the investment body. It often creates a feeling of desperation and often crumbles teams. Pivoting can force people to leave a project and sometimes even the firm they work for. Pivoting sounds scary and unfathomable

to most mature organizations, although it's often what is needed to resuscitate a dying company.

Pattern #6: Authenticity and Integrity - The intrapreneurs we studied demonstrated the attributes of confidence and humbleness at the same time. They did not exhibit the maverick-like behavior often associated with successful corporate innovators. They all, however, exuded high self-awareness and sense of purpose. None of these individuals were handed a silver platter. Each earned their way up the ladder and carved out their own future through hard work and tenacity.

This sixth pattern we observed in the intrapreneurs we studied was the premium they placed on authenticity and integrity, both in their work and in the work of others around them. These corporate innovators see their work and workplace as a playground for much more than earning a living. Since they already have self-confidence, to them the means are as important as the end. The means have to do with the quality of relationships and quality of the effort they

expect of themselves, people around them, and the firm they work for.

For in-depth analysis and insights, *Innovation Engine* addresses these important questions concerning building a bench of intrapreneurs—your fuel for growth:

1. What is the definition of a corporate intrapreneur?
2. How does one become a successful intrapreneur?
3. How do you find intrapreneurs within and outside your company?
4. What are methods and tactics to develop intrapreneurs and intrapreneurial teams?
5. What are the HR implications for nurturing intrapreneurs?

To read more, please visit Jatin Desai's *Innovation Engine - Driving Execution for Breakthrough Results* published by John Wiley & Sons; available at all popular book retailers in the world. Above article is reprinted with permission from John Wiley & Sons. ■



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Jatin has been active in leadership and operating roles since 1983, when he cofounded The DeSai Group, which offers solutions for strategy, innovation, and leadership development and provides innovation execution and management services to Fortune 1000 and Global 2000 companies.

Jatin has helped address and manage the complex issues of worldwide market strategies, positioning, market expansion, development of innovative applications, mergers and acquisitions, joint venture management, cross-border outsourcing, new product introductions, human resource development, sales and marketing, and manufacturing.

His firm's clients in United States include: The Hartford Insurance, Bristol-Myers, Cigna, Merck, Macy's, Atkins, Wal-Mart, Vistage, Ketchum, BIC, Pitney Bowes, Prudential, ESPN, Duracell, United Technologies Corporation, Pratt & Whitney, Carrier Corporation, Sikorsky Aircraft, Hamilton Sundstrand, Vistage International, and many more. In India, the firm's clients include: 3M, ABB, Aditya Birla Group, Bangalore Airport, Bosch, Coromandel International, Cognizant, JRF, Infosys, Infotech, Larsen & Toubro, Siemens, Titan Industries, UPL, and many more.

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Failing well— at the right scale

by Amy Edmondson, Novartis Professor of Leadership
and Management at Harvard Business School and
Mobius Senior Expert

When you're exploring the frontier, the right kind of experimentation is one that produces good failures quickly and intelligently, which is why Professor Sim Sitkin at Duke calls them *intelligent failures*, despite the apparent oxymoron.¹ Managers who work with failures in this fashion are more likely to get the most out of them—and also to avoid the *unintelligent* failure of conducting experiments on a scale that is larger than necessary.

As an example, in the late 1990s, a major telecommunications company I'll refer to as Telco set out to innovate.² To be positioned at what was then the forefront of what was then new and somewhat unproven technology, Telco decided to launch digital subscriber line technology, or DSL, to provide its customers with high-speed internet service. In its well-intentioned desire to innovate, however, Telco made the mistake of experimenting at too large a scale.

Despite the very real operational risks of the unproven new technology, Telco launched DSL throughout its entire market, all at once, and before the company was really able to deliver it reliably. The outcome, unfortunately, was a dismal failure. Customer satisfaction, normally in the high 80s, dove down to the teens. As many as five hundred customers a day were waiting to hear back about some aspect of service. Twenty percent of complaints were taking 30 or more days to resolve. Customers were frustrated and angry, and employee morale suffered as well.

Of course, Telco's mistake did not lie in trying to innovate, or even in experiencing failure as part of the innovation process. The mistake was that it launched an experiment—an uncertain new service operation—at such a large and painful scale. By rolling DSL out to the entire market, rather than launching a small pilot that could help it see what worked (and what didn't), Telco lost the chance to make rapid changes as a result of thoughtful experimentation. The company

converted what could have been an intelligent failure into a preventable (not so intelligent) failure. At that point in

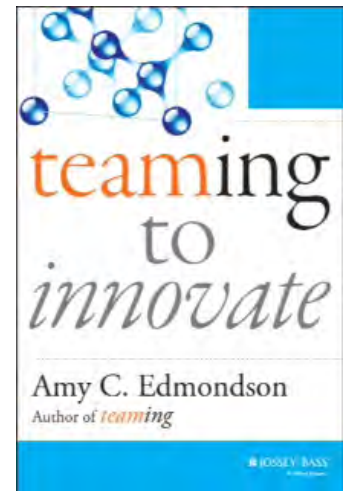
time, the process knowledge for how to deliver the new service reliably across diverse customer situations was simply underdeveloped. Not considering this mismatch, Telco was in a position of managing an initiative that should have been treated as a complex new operation, as a routine operation.

In contrast, IDEO, the global product-design consultancy, set out to launch a new kind of innovation-strategy service.³ Traditionally, IDEO helped clients design new products within their existing product lines. The new service would assist clients in identifying new strategic product line opportunities. Knowing it had not worked out all the details for delivering the new services effectively, IDEO started with a small project with a low-tech manufacturing client, so as to learn from an early small experiment. Although the project failed—the client did not change its product strategy—IDEO learned from it. The company then figured out what it had to do differently, including developing new processes for understanding clients' businesses, and hiring staff with MBAs who had experience diagnosing and developing business strategy. Today, strategic services account for more than a third of IDEO's revenues.

We can sing the praises of intelligent failure as much as we want. But that inner child, the one that wants to be right and is terrified of being wrong, doesn't just go gently into that good night. That's where leadership comes in.

Leading failure

As we've seen, failing well means tolerating unavoidable process failures in complex systems and celebrating in-



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telligent failures at the frontier of knowledge. Rather than promoting mediocrity, such tolerance is essential for any team or organization seeking the new knowledge that failure in complex and novel settings provides.

Strategically producing failures takes this one step further. Researchers in basic science know that once in a great while an experiment yields a spectacular success. However, more often (far more often!), experiments result in failure. Scientists can't succeed unless they learn to recognize failure as a step on the path to success. Recognizing this, the chief scientific officer at pharmaceutical giant Eli Lilly throws failure parties to celebrate clinical trials or scientific programs that were intelligent but that

nonetheless failed. This odd ritual makes scientists more willing to take intelligent risks, but it also encourages them to speak up sooner rather than later about a failing course of action. Failing is neither blameworthy nor shameful, but part of a valiant effort to generate new knowledge.

Most managers in business, however, feel a great deal of pressure to make sure that their product or service is perfect when it goes out into the world. This pressure affects the pilot projects that are designed to test the new idea. Managers are so eager to succeed (and understandably!) that they often design pilots that incorporate optimal conditions rather than representative ones. The result? Fragile



Mobius Executive Leadership is proud to offer one and two day training programs based on *Teaming* by Amy Edmondson. This can be offered for intact teams or as an open enrollment capability building course. For more information please contact info@mobiusleadership.com.



successes. A pilot is meant to generate knowledge about what won't work, not simply affirm the genius behind the innovation. Pilots must be designed to fail.

To understand why, consider the Telco failure again. Before the full-scale urban launch, managers had run a small pilot in a suburb that housed well-educated, tech-savvy customers. The pilot was considered a soaring success. Unfortunately, pilot conditions were anything but representative of the large and diverse urban market in which the full-scale launch would take place. To make matters worse, the pilot was staffed by particularly expert and friendly service reps who were well versed in the new technology and could make it work for any customer's home computer setup. This small pilot was not so much a hypothesis-testing experiment as a demonstration project. It was designed to succeed—rather than to fail intelligently so that the full-scale launch could be a success.

What should Telco have done? First, the technology should have been tested in a small and unsophisticated market (old computers, fewer tech-savvy customers), with normal staffing levels to support it. The pilot should have been designed to uncover every little thing that could possibly go wrong—before announcing the new service to all customers. Managers would have been poised to reward intelligent failures and to help teams learn from them quickly to improve the product as well as the service that accompanied it. To generalize this lesson, Exhibit 1 lists a few questions that should be answered in the affirmative when designing the right kind of pilot projects—the kind that fail intelligently.

Exhibit 1: Failing Well in Effective Pilot Projects⁴

Managers of successful pilots must be able to answer “yes” to the following questions:

- Is the pilot program being tested under typical circumstances instead of optimal conditions?
- Are the employees, customers, and resources representative of the firm's real operating environment?
- Is the goal of the pilot to learn as much as possible, rather than demonstrate to senior managers the value of the new system?
- Is the goal of learning as much as possible understood by everyone involved, including employees and managers?
- Is it clear that compensation and performance ratings are not based on a successful outcome of the pilot?



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- Were explicit changes made as a result of the pilot program?

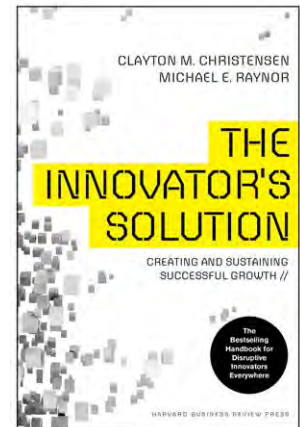
As the questions in Exhibit 1 demonstrate, managers hoping to successfully launch an innovative or novel product should not try to produce success the first time around. Instead, they should attempt to design and execute the most informative “trial-and-failure” process possible. This strategy for learning from *pilot-size* failures is a way to help ensure that full-scale, online services succeed.

Notes:

1. S. Sitkin, “Learning Through Failure: The Strategy of Small Losses,” in L. L. Cummings and B. Staw (eds.), *Research in Organizational Behavior* 14. Greenwich, CT: JAI Press, 1992, 231–66.
2. For the full Telco story, see A. C. Edmondson. *Teaming: How Organizations Learn, Innovate, and Compete in the Knowledge Economy*. San Francisco: Jossey-Bass, 2012, 234–52.
3. A. C. Edmondson. “Phase Zero: Introducing New Services at IDEO (A).” Harvard Business Case 9–605–069, 2004; and A. C. Edmondson. *Teaming: How Organizations Learn, Innovate, and Compete in the Knowledge Economy*. San Francisco: Jossey-Bass, 2012, 257–87.
4. A. C. Edmondson. *Teaming: How Organizations Learn, Innovate, and Compete in the Knowledge Economy*. San Francisco: Jossey-Bass, 2012; and A. C. Edmondson. “Strategies for Learning from Failure.” *Harvard Business Review* 89, no. 4, 2011. ■

The Innovator's Solution

by Clayton Christensen and Michael Raynor



A surprising number of innovations fail not because of some fatal technological flaw or because the market isn't ready. They fail because responsibility to build these businesses is given to managers or organizations whose capabilities aren't up to the task. Corporate executives make this mistake because most often the very skills that propel an organization to succeed in sustaining circumstances systematically bungle the best ideas for disruptive growth. An organization's *capabilities* become its *disabilities* when disruption is afoot. This chapter offers a theory to guide executives as they choose a management team and build an organizational structure that together will be capable of building a successful new-growth business. It also outlines how the choices of managers and structure ought to vary by circumstance.

Resources, Processes, and Values

What does this awfully elastic term *capability* really mean? We've found it helpful to unpack the concept of capabilities into three classes or sets of factors that define what an organization can and cannot accomplish: its resources, its processes, and its values—a triptych we refer to as the RPV framework. Although each of these terms requires careful definition and analysis, taken together we've found that they provide a powerful way to assess an organization's capabilities and disabilities in ways that can make disruptive innovation much more likely to succeed....

One of the most vexing dilemmas that stable corporations face when they seek to rekindle growth by launching new businesses is that their internal schools of experience have offered precious few courses in which managers could have learned how to launch new disruptive businesses. In many ways, the managers that corporate executives have come to trust the most because they have consistently delivered the needed re-

sults in the core businesses cannot be trusted to shepherd the creation of new growth. Human resources executives in this situation need to shoulder a major burden. They need to monitor where in the corporation's schools of experience the needed courses might be created, and ensure that promising managers have the opportunity to be appropriately schooled before they are asked to take the helm of a new-growth business. When managers with the requisite education cannot be found internally, they need to ensure that the management team, as a balanced composite, has within it the requisite perspectives from the right schools of experience. We will return to this challenge later in this chapter.

Finding managers who have been appropriately schooled is a critical first step in assembling the capabilities required to succeed. But it is only the first step, because the capabilities of organizations are a function of resources other than people, and of elements beyond just resources, namely, processes and values. To these we now turn.

Processes

Organizations create value as employees transform inputs of resources—the work of people, equipment, technology, product designs, brands, information, energy, and cash—into products and services of greater worth. The patterns of interaction, coordination, communication, and decision making through which they accomplish these transformations are *processes*. Processes include the ways that products are developed and made and the methods by which procurement, market research, budgeting, employee development and compensation, and resource allocation are accomplished.

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Processes differ not only in their purpose, but also in their visibility. Some processes are “formal,” in the sense that they are explicitly defined, visibly documented, and consciously followed. Other processes are “informal,” in that they are habitual routines or ways of working that have evolved over time, which people adopt simply because they work or because “. . . that’s the way we do things around here.” Still other methods of working and interacting have proven so effective for so long that people unconsciously follow them—they constitute the culture of the organization. Whether they are formal, informal, or cultural, however, processes define how an organization transforms inputs into things of greater value.

Processes are defined or evolve de facto to address specific tasks. When managers use a process to execute the tasks for which it was designed, it is likely to perform efficiently. But when the same, seemingly efficient process is employed to tackle a very different task, it often seems bureaucratic and inefficient. In other words, a process that defines a *capability* in executing a certain task concurrently defines *disabilities* in executing other tasks. In contrast to the flexibility of many resources, processes by their very nature are meant not to change. They are established to help employees perform recurrent tasks in a consistent way, time after time. One reason that focused organizations perform so well is that their processes are always aligned to the tasks.

Innovating managers often try to start new-growth businesses using processes that were designed to make the mainstream business run effectively. They succumb to this temptation because the new game begins before the old game ends. Disruptive innovations typically take root at the low end of markets or in new planes of competition at a time when the core business still is performing at its peak—when it would be crazy to revolutionize everything. It seems simpler to have one-size-fits-all processes for doing things, but very often the cause of a new venture’s failure is that the wrong processes were used to build it.

The most crucial processes to examine usually aren’t the obvious value-adding processes involved in logistics, development, manufacturing, and customer service. Rather, they are the enabling or back-ground processes that support investment decisions. These include how market research is habitually done, how such analysis is translated into financial projections, how plans and budgets are negotiated and how those numbers are delivered, and so on. These processes are where many organizations’

“The old paradigm held an ideal of reason freed of the pull of emotion. The new paradigm urges us to harmonize head and heart. To do that well in our lives means we must first understand more exactly what it means to use emotion intelligently.”

—Daniel Goleman, *Emotional Intelligence*

most serious disabilities in creating disruptive growth businesses reside.

Some of these processes are hard to observe, and it can therefore be quite difficult to judge whether the mainstream organization’s processes will facilitate or impede a new-growth business. You can make a good guess, however, by asking whether the organization has faced similar situations or tasks in the past. We would not expect an organization to have developed a process for accomplishing a particular task if it has not repeatedly addressed a task like that before. For example, if an organization has repeatedly formulated strategic plans for established businesses in existing markets, then a process that planners follow in formulating such plans likely will have coalesced, and managers will instinctively follow that process. But if that organization has not repeatedly formulated plans for competing in markets that do not yet exist, it is safe to assume that no processes for making such plans exist.

Values

The third class of factors that affect what an organization can or cannot accomplish is its values. Some corporate values are ethical in tone, such as those that guide decisions to ensure patient well-being at Johnson & Johnson or that guide plant safety at Alcoa. But in the RPV framework, *values* have a broader meaning. An organization’s values are the standards by which employees make prioritization decisions—those by which they judge whether an order is attractive or unattractive, whether a particular customer is more important or less important than another, whether an idea for a new product is attractive or marginal, and so on.

Employees at every level make prioritization decisions. At the executive tiers, these decisions often take the form of whether or not to invest in new products, services, and processes. Among salespeople, they consist of on-the-spot, day-to-day decisions about which customers they will call on, which products to push with those customers, and which products not to emphasize. When an engineer makes a design choice or a production scheduler puts one order ahead of another, it is a prioritization decision.

The larger and more complex a company becomes, the more important it is for senior managers to train employees at every level, acting autonomously, to make prioritization decisions that are consistent with the strategic direction and the business model of the company. That is why successful senior executives spend so much time articulating clear, consistent values that are broadly understood throughout the organization. Over time, a company's values must evolve to conform to its cost structure or its income statement, because if the company is to survive, employees must prioritize those things that help the company to make money in the way that it is structured to make money.

Whereas resources and processes are often *enablers* that define what an organization *can* do, values often represent *constraints*—they define what the organization *cannot* do. If, for example, the structure of a company's overhead costs requires it to achieve gross profit margins of 40 percent, a powerful value or decision rule will have evolved that encourages employees not to propose, and senior managers to kill, ideas that promise gross margins below 40 percent. Such an organization would be *incapable* of succeeding in low-margin businesses—because you can't succeed with an endeavor that cannot be prioritized. At the same time, a different organization's values, shaped around a very different cost structure, might enable it to accord high priority to the very same project. These differences create the asymmetries of motivation that exist between disruptors and disruptees.

Over time, the values of successful firms tend to evolve in a predictable fashion in at least two dimensions. The first relates to acceptable gross margins. As companies upgrade their products and services to capture more attractive customers in premium tiers of their markets, they often add overhead cost. As a result, gross margins that at one point were quite attractive will seem unattractive at a later point. Companies' values change as they migrate up-market.

The second dimension along which values can change relates to how big a business has to be in order to be interesting. Because a company's stock price represents the discounted present value of its projected earnings stream, most managers typically feel compelled not just to maintain growth but to maintain a constant rate of growth. For a \$40 million company to grow 25 percent, it needs to find \$10 million in new business the next year. For a \$40 billion company to grow 25 percent, it needs to find \$10 billion in new business the next year. An opportunity that excites a small organization simply isn't large enough to be interesting to a very large one. One of the bittersweet rewards of success is, in fact, that as companies become large, they literally lose the capability to enter small emerging markets. Their size and success put extraordinary resources at their disposal. Yet they cannot deploy those resources against the small disruptive markets of today that will be the large markets of tomorrow, because their values will not permit it.

Executives and Wall Street financiers who engineer mega-mergers among already huge companies in order to achieve cost savings need to account for the impact of these actions on the resultant companies' values. Although the merged corporations might have more resources to throw at new-product development, their commercial organizations tend to lose their appetites for all but the biggest blockbuster opportunities. Huge size constitutes a very real *disability* in creating new-growth businesses. But as we will show later in this chapter, when large corporations keep the flexibility to have small business units within them, they can continue to have decision makers who can become excited about emerging opportunities.

The Migration of Capabilities

In the start-up stages of a business, much of what gets done is attributable to its *resources*—particularly its people. The addition or departure of a few key people can have a profound influence on its success. Over time, however, the organization's capabilities shift toward its processes and values. As people work together successfully to address recurrent tasks, processes become defined. And as the business model takes shape and it becomes clear which types of business need to be accorded highest priority, values coalesce. In fact, one reason that many soaring young hot-product companies flame out after they go public is that the key initial resource—the

founding team—fails to institute the processes or the values that can help the company follow up with a sequence of hot new products.

Success is easier to sustain when the locus of the capability to innovate successfully migrates from resources to processes and values. It actually begins to matter less which people get assigned to which project teams. In large, successful management consulting firms, for example, hundreds of new MBA's join the firm every year, and almost as many leave. But they are able to crank out high-quality work year after year because their capabilities are rooted in their processes and values rather than in their resources.

As a new company's processes and values are coalescing, the actions and attitudes of the company's founder typically have a profound impact. The founder often has strong opinions about the way employees ought to work together to reach decisions and get things done. Founders similarly impose their views of what the organization's priorities need to be. If the founder's methods are flawed, of course, the company will likely fail. But if those methods are useful, employees will collectively experience for themselves the validity of the founder's problem-solving methodologies and criteria for decision making. As they successfully use those methods of working together to address recurrent tasks, processes become defined. Likewise, if the company becomes financially successful by prioritizing various uses of its resources according to criteria that reflect the founder's priorities, the company's values begin to coalesce.

As successful companies mature, employees gradually come to assume that the priorities they have learned to accept, and the ways of doing things and methods of making decisions that they have employed so successfully, are the right way to work. Once members of the organization begin to adopt ways of working and criteria for making decisions by assumption, rather than by conscious decision, then those processes and values come to constitute the organization's culture. As companies grow from a few employees to hundreds and thousands, the challenge of getting all employees to agree on what needs to be done and how it should be done so that the right jobs are done repeatedly and consistently can be daunting for even the best managers. Culture is a powerful management tool in these situations. Culture enables employees to act autonomously and causes them to act consistently.

Hence, the location of the most powerful factors that define the capabilities and disabilities of an orga-

nization migrates over time—from resources toward visible, conscious processes and values, and then toward culture. When the organization's capabilities reside primarily in its people, changing to address new problems is relatively simple. But when the capabilities have come to reside in processes and values and *especially* when they have become embedded in culture, change can become extraordinarily difficult.

Every organizational change entails a change in resources, processes, or values, or some combination of these. The tools required to manage each of these types of change are different. Moreover, established organizations typically face the opportunity to create new growth businesses—and the consequent requirement to utilize different resources, processes, and values—at a time when the mainstream business is still very healthy—when executives must not change the resources, processes, and values that enable core businesses to sustain their success. This requires a much more tailored approach to managing change than many managers have felt to be necessary...

Creating Management Bench Strength

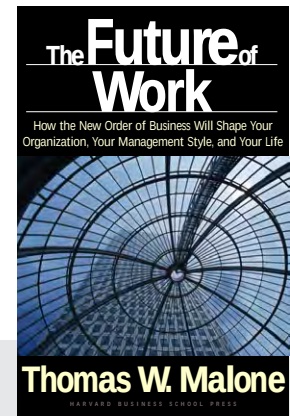
A company that works to develop a sequence of new-growth businesses can build a virtuous cycle in management development. Launching growth business after growth business creates a set of rigorous, demanding schools in which next-generation executives can learn how to lead disruption. Companies that only sporadically attempt to create new-growth businesses, in contrast, offer to their next-generation executives precious few of the courses they need to successfully sustain growth. ■



Clayton M. Christensen is the Kim B. Clark Professor of Business Administration at the Harvard Business School. In addition to his most recent book, *How Will You Measure Your Life*, he is the author of seven critically-acclaimed books, including several New York Times bestsellers -- *The Innovator's Dilemma*, *The Innovator's Solution* and most recently, *Disrupting Class*. Christensen is the co-founder of Innosight, a management consultancy; Rose Park Advisors, an investment firm; and the Innosight Institute, a non-profit think tank. In 2011, he was named the world's most influential business thinker by Thinkers50.

The Collective Intelligence Genome

by Thomas W. Malone, Robert Laubacher, and
Chrysanthos Dellarocas, Center for Collective Intelligence,
Massachusetts Institute of Technology



Author's note (from Thomas W. Malone): *I believe some of the most important innovations in the next few decades won't just be new products or new manufacturing processes. I think they'll be innovations in the very ways work is organized in the first place. Why do we always need someone in charge, telling others what to do? Why can't more people figure out for themselves what needs to be done and how to do it? Why do we even have companies in the first place? Are there situations, for instance, where "crowds" of people, loosely organized over the Internet, could accomplish the same goals?*

I've been thinking about questions like these for decades, and much of what I've learned is summarized in my book, The Future of Work (Harvard Business Press, 2004). But the article excerpted here describes some even more recent organizational innovations and a framework for thinking about them. This excerpt focuses on the organizational design patterns (which we call "genes") that underlie some of the most interesting new crowd-based organizations that are becoming more and more common on the Web.

Google. Wikipedia. Threadless. All are exemplars of collective intelligence in action. Two of them are famous. The third is getting there.

Each of the three helps demonstrate how large, loosely organized groups of people can work together electronically in surprisingly effective ways—sometimes even without knowing that they are working together, as in the case of Google. Google takes the judgments made by millions of people as they create links to Web pages and harnesses that collective knowledge of the entire Web to produce amazingly intelligent answers to the questions we type into the Google search bar.

In Wikipedia, thousands of contributors from across the world have collectively created the world's largest encyclopedia, with articles of remarkably high quality. Wikipedia has been developed with almost no centralized control. Anyone who wants to can change almost anything, and decisions about what changes to keep are made by a loose consensus of those who care. What's

more, the people who do all this work don't even get paid; they're volunteers.

In Threadless, anyone who wants to can design a T-shirt, submit that design to a weekly contest, and then rate their favorite designs. From the entries receiving the highest ratings, the company selects winning designs, puts them into production, and gives prizes and royalties to the winning designers. In this way, the company harnesses the collective intelligence of a community of over 500,000 people to design and select T-shirts.

These examples of Web-enabled collective intelligence are inspiring to read about. More than inspiring, even; they've come to look like managerial wish fulfillment—evidence that a committed embrace of collective intelligence is all it takes for a company to magically divine market desires, create exactly what's needed to satisfy them, and do it all at little or no cost. Come let the crowd get your work done for you—cheap, perfect, and now.

In fact, it's possible that collective intelligence has

Laubacher, R., & Dellarocas, C. The Collective Intelligence Genome, Sloan Management Review, Spring 2010, 51, 3, 21-31 (Reprint No. 51303). Also available at: <http://sloanreview.mit.edu/the-magazine/articles/2010/spring/51303/the-collective-intelligence-genome/#1>.

come to seem just a little bit too much like magic in the view of many managers. Magic is cool, a manager might say, but it's awfully hard to replicate. If collective intelligence is such a powerful way for organizations to get things done in this age of crowd wisdom and wikinomics, why don't more businesses use it?

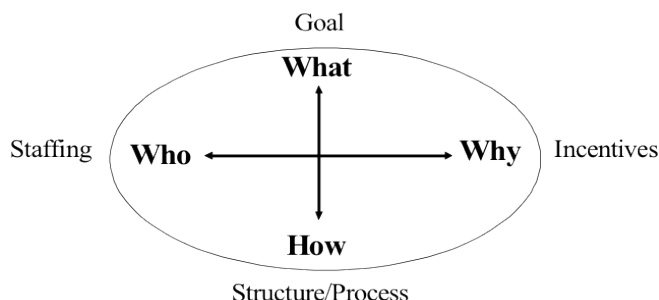
The answer, we think, is that they don't know how. To take advantage of the new possibilities that the inspiring examples represent, it's necessary to go beyond just seeing them as a fuzzy collection of "cool" ideas. To unlock the potential of collective intelligence, managers instead need a deeper understanding of how these systems work. They need not magic, but the science from which the magic comes.

In our work at MIT's Center for Collective Intelligence, we have gathered nearly 250 examples of Web-enabled collective intelligence. At first glance, what strikes one most about this collection of examples is its diversity, with the systems exhibiting a wildly varying array of purposes and methods.

But after examining these examples in depth, we identified a relatively small set of building blocks that are combined and recombined in various ways in different collective intelligence systems. To classify these building blocks, we use four questions (see Figure 1):

- *What* is being done?
- *Who* is doing it?
- *Why* are they doing it?
- *How* is it being done?

Figure 1: The Design Questions of Collective Intelligence



(This framework is similar to ones that have been developed in the field of organizational design, and its dimensions are important in designing any system for collective action, be it a traditional organization or a new kind of electronically connected group.)

Employing an analogy from biology, we call these building blocks the "genes" of collective intelligence systems. We define a gene as a particular answer to one of the key questions (What, Who, Why, or How) associated with a single task in a collective intelligence system. Like the genes from which individual organisms develop, these organizational genes are the core elements from which collective intelligence systems are built. The full combination of genes associated with a specific example of collective intelligence can be viewed as the "genome" of that system.

In this article we'll offer a new framework for understanding those systems—and more important, for understanding how to build them. It identifies the underlying building blocks—the "genes"—that are at the heart of collective intelligence systems. It explores the conditions under which each gene is useful. And it begins to suggest the possibilities for combining and re-combining these genes to not only harness crowds in general, but to harness them in just the way that your organization needs.

The Steps to One Famous Genome

Imagine the year is 1991, and you are Linus Torvalds, an undergraduate student at the University of Helsinki. You have just written the heart of a rudimentary operating system for personal computers, and you are considering what to do next. You don't know it yet, but the decisions you are about to make will lead to the creation of a community of thousands of volunteer programmers all over the world who will develop something called Linux, one of the most important computer operating systems of the early 21st century. And you will be celebrated as the leader of the first major "open source" software development community—a prototypical example of a new kind of collective intelligence.

Now imagine one other thing: Imagine that in making your decisions, you have access to all the concepts in this article. Of course, Linus Torvalds didn't really have this knowledge, and the success of the decisions he made probably surprised him as much as anyone. But if you could use the concepts from this article to consciously design the kind of open source community that Torvalds created, how would you do it?

First, you would ask yourself: What is the main activity I want to be done? As we'll see below, there

are two basic genes to answer this question (Create and Decide), and in this case you would want to Create programming code for a new computer operating system.

The next question you would ask is: Who will do this? The two basic genes to answer this question are what we will call below Hierarchy and Crowd, and your answer to this question—that is, in this instance, Torvald’s answer—is what will make your efforts so remarkable. Instead of assigning particular people to do different parts of the software development as in a traditional Hierarchy, you decide to make your software freely available on the Internet and let anyone who wants to add to or change any parts of the software they want. In other words, you decide to let a whole Crowd of Internet users develop different pieces of the software.

Why would you want to consider the crowd option? In the case of Linus Torvalds, you simply don’t have another choice: You don’t have the time to do it yourself or the money to hire others. At the same time, you correctly assess that there are enough skilled programmers around the world who would certainly be capable of collectively doing it, if properly motivated.

This, of course, immediately leads to the next question: Why will people do this? Since you can’t afford to use what we’ll call below the Money gene, you’ll need to appeal instead to other motivations, to what we call the Love and Glory genes. For instance, Torvalds used a playful tone in many of his email messages, appealing to people’s desire to have fun writing this software as a kind of hobby. In addition, active participation in such a visible project quickly became a signal of programming skill, and therefore a coveted source of status and glory for many programmers.

Finally, you need to ask the question: How will people do this? In answering this question, as the Linux creator, you realize that the different pieces of software that people are going to be creating are not independent of each other. Instead, there are important interdependencies among the different parts of the software. For instance, when one software module passes a variable to another module, both modules have to make similar assumptions about the format of the variable. This means that the How gene you will need is what we’ll call below the Collaboration gene.

And now you realize that there is a very important omission in your thinking so far. If anyone who wants to can write different pieces of the software, how do you know that a given piece—from someone you don’t even know—is of good enough quality? And—just as important—how do you make sure that all the different pieces will work together properly?

The Collaboration gene usually needs to be combined with at least one Decide gene to choose pieces with these characteristics. In particular, since you want the whole community to focus on one primary version of the software (and not divide its efforts across many different versions), you will need a Group Decision gene, where everyone in the group is bound by the same decisions about what is and is not included.

You briefly consider various subtypes of the Group Decision gene such as Voting (everyone in the community could vote on which pieces to use) or Consensus (everyone could discuss until they all agreed on which pieces to use), but you decide to use a simple type of decision-making that is common in traditional organizations and that you’re pretty sure will work here—the Hierarchy gene. In other words, you’ll just make these decisions yourself or

The collective intelligence genome for Linux

Example	What		Who	Why	How
Linux	Create	New software modules	Crowd	Love Glory	Collaboration
	Decide	Which modules warrant inclusion in next release	Torvalds and lieutenants	Love Glory	Hierarchy

delegate them to other people you trust.

You could call this combination of genes the basic “genome” for the Linux community (see “The collective intelligence genome for Linux”).

Of course, Torvalds didn’t really consciously decide all these things in this way, but by some combination of intuition, trial-and-error, and luck, these are the design decisions he and the Linux community implicitly made. Now with the benefit of this experience—and the experiences embodied in many other examples summarized in [the rest of] this article—you can be more systematic in designing collective intelligence examples for your own situation. ■

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Thomas W. Malone

Thomas W. Malone is the Patrick J. McGovern Professor of Management at the MIT Sloan School of Management and the founding director of the MIT Center for Collective Intelligence. He was also the founder and director of the MIT Center for Coordination Science and one of the two founding co-directors of the MIT Initiative on “Inventing the Organizations of the 21st Century.” His most recent book is *The Future of Work*, and he has also published over 100 articles, research papers, and book chapters; been an inventor on 11 patents; and co-edited three books.

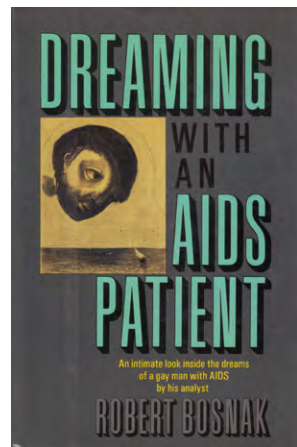
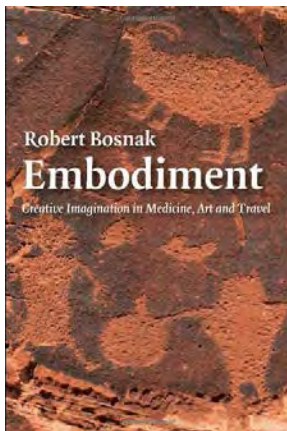
“Transparency in its active form has a remarkable effect on people. It calls them out to meet you on the plane of openness, it speeds and encourages trust and collaboration—and here is the surprising part—it is incredibly disarming. I’m talking about something greater than just telling the truth. Rather the new conditions of the world can become a competitive edge if you aggressively embrace transparency in its very form, to be transparent....Active vulnerability with others creates the conditions in which they can be vulnerable with you and trust creates trust, on a biological and organizational level with mutually beneficial results. Vulnerability, in this way, is actually a strength.”

—Dov Seidman,
How: Why the How We Do Anything Means Everything

Dreamwork and Business

A Brief Piece from Embodied Imagination Pioneer and Mobius Transformational Faculty member

by Robert Bosnak, Mobius Transformational Faculty and Jungian Analyst



Together with the Indian pioneers in the field of dreamwork for business, Drs. Anjali Hazarika and Francis Menezes, I organized the first international conference about dreams and business in 1995 at the Tata Management and Training Center in Pune, India. Dr. Menezes was the director of the Center and had introduced the giant Indian Tata Corporation to the uses of dreamwork for research and management. I had met him and Dr. Hazarika at international conferences of the International Association for the Study of Dreams of which I was to become President in 2002.

We invited about 100 people from all over the world to Pune to study how dreams could be used in, among other applications, business.

Dr. Menezes and his team demonstrated to us that the work with dreams in work teams lead to significantly higher productivity because the team members got closer and collaborated better. Personal relations began to form, informal social connections were organized and the productivity of the team soared.

One story stood out in the research team's presentation:

They were working on a chemical experiment that was of great importance to the Tata Corporation, but they couldn't get the catalyst to work. One engineer had a dream several times in a row of a location in India to which he

had absolutely no connection whatsoever. One of the other engineers in the research team dream-group suggested he look up the chemical composition of the geology in that area. They found that a rare chemical was prevalent in that particular area. The team decided to add this chemical to the catalyst and the catalyst worked! This saved the corporation millions of dollars.

Since this time I have been very interested in the uses of dreamwork for business.

As one example of the ability of dream work to tap into a wider field of intelligence let me share an example of my work. I worked with an investor on stock market dreaming, conducting a series of ten dream work sessions. After a significant series in which the dreams kept presenting gold in several different images, she invested in gold just before the gold price rose significantly.

Dreaming gives us access to unconscious intelligence, things we know, but are not aware of. Executives find their decision-making capabilities enhanced because the work with dreams can remove blockages to creative intelligence. Dreaming itself is the most creative ability we have as humans. Dreaming creates worlds of imagination and can be used to gain a creative edge.

And dreaming connects people. I have worked for many years in geographical areas of conflict. We found dreaming useful in the resolution of

“In the new story, facilitators become more like the universe itself, we become the home for all that is. Become the home for all parts of yourself. Be an open space for all the energies in your relationships and family scenes. Be the facilitator who models sustainability for organizations. Be the person who carries the sense of home with her, and is, herself, all the parts and energies.”

—Arnold Mindell,

Dance of the Ancient One, How the Universe Solves Personal and World Problems

conflict in groups with a common interest in resolving their differences. This can also be applied in tense team environments and used to help people tap into their common aspirations and deeper connections rather than connecting in the plane of personality where they can get stuck.

I believe that dreaming has great potential for business.

Until his death two years ago the founder of this field Dr. Francis Menezes held the same conviction, to the advantage of the Tata Corporation who were bold early adopters of this methodology.

Through my collaboration with Mobius Executive Leadership I have started to offer Dream Laboratories for R&D teams wanting to foster a breakthrough in product development or senior leaders wishing to

incubate an innovation within their own company or industry. The ten dream series is a unique methodology for executives to use to tap into their unconscious and access the fullness of their wisdom, intuition and inner knowing.

For more information on the dream work sessions for innovation please see the Mobius website at www.mobiusleadership.com. ■



Robert Bosnak, PsyA, licensed psychoanalyst, trained at the C.G. Jung Institute, Zurich (cert. 1977). Originator of the Embodied Imagination method. (see Wikipedia)



Executives wishing to incubate an idea or try a transformational approach to product innovation should consider a ten dream series with Dr. Bosnak, Mobius Transformational Faculty member. For more information please contact info@mobiusleadership.com.

Thrive Labs, in partnership with Mobius Executive Leadership, is offering:

VISIONING LABS

Help your team and your company connect or reconnect with your sense of purpose.

Visioning Labs are in-person experiences designed to help you and your team or company articulate and connect with your individual and collective sense of purpose. Labs are 1 and 2-day experiences that use strategy, conflict resolution, improv, innovation practices and dialogue to create a container that helps you articulate why you're doing what you're doing and help you get there.

For more information, contact us: info@mobiusleadership.com.

Case Study: The Summit on Sustainable Food Service

In March, 2013 three organizations: The Rockefeller Brothers Fund, the Stone Barnes Center for Food and Agriculture and the National Parks Conservancy decided to co-convene a gathering of leaders from the sustainable food movement in the United States. They invited CEOs of major national grocery and food chains, heads of food procurement for public schools, farmers, scientists, and activists into a closed-door two-day summit. They brought me in to facilitate the gathering in a Visioning Laboratory-style and designed the time we had to both connect the group and learn specifically how to the obstacles to scaling the sustainable food movement and learn from the specifics of innovative approaches that have overcome these obstacles. They identified four obstacles, including:

- Customer choice and education
- Providing healthy foods at competitive prices
- Creating a sustainable four-season supply chain
- Retraining and retooling the system

Over the course of these two days, the Lab aimed to do two things: to deeply engage with the core issues in this field in a practical, hands-on way that led to specific learning across a number of players and to activate the individual and collective sense of purpose in this work. As individual attendees learned about the specific details of how a group tackled one of these obstacles, they began to think about the principle behind the approach and how they could apply a similar innovation in their own contexts using their own large platforms.

Case Study: The Power of Place

In July 2013, the Golden Gate National Parks Conservancy gathered a group of 30 leaders from the National Parks, designers in San Francisco and heads of public programming for “iconic places” around the country at the base of the Golden Gate Bridge. Their goal was to tap into the knowledge, experience, wisdom and passion of what they called “space-creators” to envision and articulate the future of a park site within the Presidio, an old military base in the city which was being converted to a national park. We designed a two-day experience for this diverse group of stakeholders to come together and share their own experiences of bold innovation around space (including New York’s Highline and the MOMA, Minneapolis’ Walker Field and Chicago’s Millennium Park), but also use their experience to apply a fresh lens on how to design and develop a community-led exchange at the Presidio. Over the course of these two days, we worked to create an experience that first connected each individual to their own sense of purpose in their work sense of place, as well as to each other, and to the Presidio. We then spent a day and a half innovating around a wide variety of needs: space, programming, fundraising, communicating, and simply designing a globally iconic space. The organizers realized that they could gather more ideas and tactics on how to build the boldest and most authentic vision for this beloved space in two days than they could have on their own over the course of months.



THRIVE labs



Theory of Emotion

*Featuring new work
by Charles Jones and Andrea Zintz
on Adaptive Inquiry®*

*Andrew Bernstein
on ActivInsight*

*Maximizing the Group's Emotional
Intelligence, An Excerpt from
Primal Leadership: Unleashing the
Power of Emotional Intelligence
by Daniel Goleman,
Richard Boyartsis and Annie McKee*

*Interview With Daniel Goleman
by Amy Elizabeth Fox*

The Myth of Stress

Where Stress Really Comes from,
and How to Live a Happier and Healthier Life

by Andrew Bernstein, Mobius Transformational Faculty

PART ONE: THE TRUTH ABOUT STRESS

The Power of Insight

At the beginning of the great Russian novel *Anna Karenina*, Leo Tolstoy suggested that happy families are all alike, but every unhappy family is unhappy in its own way. From a dramatic point of view, Tolstoy was right—every story of unhappiness is a little different, and Anna’s unhappy story is one of the best ever written. But from the point of view of how stress works, Tolstoy was grossly mistaken. The truth is that every individual and family is unhappy *in exactly the same way*—as a by-product of a certain kind of thinking. Anna Karenina was not struck by unhappiness in the same way one is struck by lightning. Unhappiness arises internally, through the subconscious mind. And it is dissolved through insight.

Insight is a built-in, though generally overlooked, feature of your brain’s operating system. You’ve already had insights that resulted in less stress in your life. You just may not have realized what was taking place. For example, have you ever been angry at someone for something he said or did, and then later discovered that you had misunderstood the situation and that he didn’t actually say or do quite what you had thought? During that experience, you didn’t try to change how you felt, nor did you “let go” of your previous belief. You simply realized that you were mistaken, and that realization instantly and automatically shifted both how you felt and how you acted. That’s the power of insight.

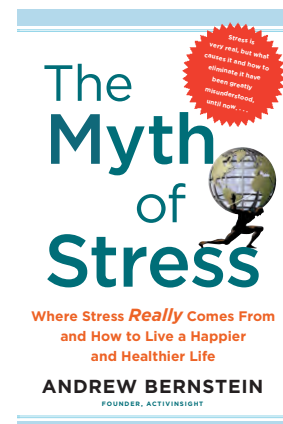
The word *insight* is generally defined as the “penetrating act of seeing into something more clearly.” For our purposes, I define *insight* more specifically as *the realization that what you had believed to be true is actually false so that the real truth emerges*. In the example above concerning a

friend, you believed that something had taken place, and that belief was proven false by new information. As the false belief falls away, the truth that you hadn’t been able to see is revealed. This kind of insight has the power to dissolve even the biggest issues because it completely shifts your perspective on a situation. But in the toolkit of personal transformation, insight tends to get overlooked.

The main reason we overlook it is because insight usually happens passively instead of actively. As a result, a shift in perspective can seem to take place on its own as a function of time. Have you heard the expression “Time heals all wounds”? That may be true for most physical wounds, but it’s not true when it comes to psychological ones. I’m sure you know someone who has stubbornly carried a grudge for years, and you can probably think of issues in your own life that have lingered on despite time’s passing.

As enough time passes, however, we tend to stumble across new information that changes our point of view. So it’s actually insight that heals us, not time. The problem is that this insight can be a long time coming, so we end up spending days, weeks, months, or even years stuck in the same psychological emotional groove.

ActivInsight distills the dynamics of insight into a simple process you can use to consciously provoke a shift in your thinking anytime you feel angry, upset, or stressed out. It makes insight active (hence the name) and available on demand. As with any skill, it takes some practice and guidance. I often compare this to skiing. You don’t start out skiing the advanced black diamond runs. You start by watching someone else ski, which we’re going to do in this chapter, and then you hit the bunny slopes and try it for yourself, which you’ll do in Part Two. As



Excerpted with permission of Atria Books, Simon & Schuster, Inc. © Andrew Bernstein

the book proceeds, the challenges will get more intense and you'll progress from skiing beginner runs to intermediates. Eventually, before this book ends, you and I are going to tackle an advanced black diamond run together.

In the preface, I mentioned that I teach ActivInsight at several not-for-profit organizations. One of these is Phoenix House, the largest residential addiction recovery program in the United States. Residents are often mandated by a judge to live at Phoenix House for a certain length of time instead of, or in addition to, serving a prison sentence. Theoretically, they use this time to develop discipline, go on job interviews, and rehabilitate themselves. In reality, many of them remain angry at the system and just want to finish their stay and get out, returning to the same thoughts, feelings, and behaviors (including drug use) they had when they entered the program.

When I created ActivInsight, I wanted to test it not just with people who were seeking personal transformation, but also with those who were resistant to it. Recovering addicts just out of prison seemed an interesting population to explore, so I approached the Phoenix House near where I lived in Los Angeles and demonstrated the process to the staff psychologist and the program director. Both liked what they saw and agreed to put together a small group of men to meet with me once a week for six weeks as a pilot. I was told that one man in particular, whom I'll call Dudley, was a bit of a problem, picking fights with other residents and generally disrupting the house. Apparently, he was going to give me the test I was looking for.

Five men and I met around a table in a small third-floor classroom overlooking the Pacific Ocean: Jeff, who was white, in his twenties, and looked like some of the clean-cut kids I grew up with in Manhattan. Dave, a Vietnam vet with sandy gray hair and no front teeth. Manny, a smiling Mexican "tweaker"—he had been addicted to methamphetamine. Elwood, a young, skinny black man with a quick wit. And Dudley, who was 6'3", in his late forties, and walked with a slight limp. Dudley could have come from Central Casting for the stereotypical "big black man" in white directors' prison movies. He slid down in his chair and stared at the table. Even when Dudley was silent, though, it was clear that the rest of the room was listening to him.

I introduced myself and told them a little bit about what I was doing there. Then I handed out blank sheets

of paper and asked them to write down what was stressful in their lives. This is how you start ActivInsight, by translating your stressful thoughts onto paper. I asked them to write short, simple sentences, ideally using the words *should* or *shouldn't*. After a few minutes we went around the room and they each shared one or two statements from their paper: "My family should be less critical," "People shouldn't be so negative," "I should have more money." Then we got to Dudley. He sounded tired and bitter. "I shouldn't be here," he said.

At first I thought he meant in the classroom, but he corrected me. "I shouldn't be here at Phoenix House," Dudley said. "I should be home."

The rest of the guys responded immediately. "Yeah, me too." "I shouldn't be here, either." "That's how I feel." It was unanimous. I've since worked with residents at other Phoenix House locations, and that belief—"I shouldn't be here"—is incredibly common. It's also incredibly problematic, because instead of trying to learn new skills or prepare for their release, residents stew in their resentment and fight the system. The same is true in prisons and rehab clinics around the world, which exist ostensibly to foster transformation, but in reality are often stagnant pools of resistance and proclaimed victimhood. The statement "I shouldn't be here" lies at the heart of it. So that's the first topic we chose, transferring it to the ActivInsight worksheet.

You always use a worksheet when doing ActivInsight because it helps you have a much deeper insight than if you tried to do this in your head, and it gives you something you can review later. There's a worksheet included at the back of this book for you to photocopy, or you can download and print worksheets from mythofstress.com.

Look at your worksheet and you'll see that it's just seven steps. In Step 1, you write down the statement you're working on, phrasing it in a way that's concise and honest, and, most of the time, using the words *should* or *shouldn't*. It's important to be concise. You don't want to write something such as, "Tom should have listened to me when I told him what to do, because I knew this would happen, that idiot." Just "Tom should have listened to me" is fine. Similarly, if you're stressed out by thoughts about your mother, you wouldn't write, "I don't understand why my mother is so selfish. I do everything for her. Shouldn't she appreciate me more?" Distill it to one statement (not a question), and use the words *should* or *shouldn't* in this way: "My mother shouldn't be so self-

ish,” or “My mother should be more grateful for what I do,” or “My mother should appreciate me more.” You can do multiple worksheets with different phrasings and you will have slightly different insights. You can even write statements that don’t use the words *should* or *shouldn’t*—I’ll give some examples of these later—but the *should/shouldn’t* formulation is the easiest to start with, and in most cases the best at capturing your emotional charge,

even when you’re a pro.

Beginners often think that they’re going to need hundreds of worksheets to work through their issues, but in my experience most people are troubled by the same handful of beliefs over and over. It really doesn’t take that many worksheets to see a big difference in your life. The first few require some guidance, though, so the men at Phoenix House and I all wrote the following together:

1

Write a concise, complete sentence describing something that you experience as challenging. It’s helpful to use the words “should” or “shouldn’t.” (Ex.: “They should listen to me.”)

> *I shouldn’t be here.*

That’s it for Step 1.

In Step 2, you rate how strongly you believe this statement on a scale from 0 to 10, 10 being the most. This quantifies your feelings so you can see how big an issue it is for you, and so you can measure your progress (we’ll do this step again at the end). I asked the men what number they would give it. Several people said it was a 10. Dudley, barely looking up, said, “It’s no big deal. I give it a 5.” This didn’t ring true to me, since it was his statement to begin with. I asked him how strongly he felt he shouldn’t be here when it was a big deal, like when he was cleaning toilets and missing his daughter’s birthday.

“Then it’s a 10,” he said. *That’s* how you do this step. You want to put yourself mentally in the place when you most strongly experienced this thought.

In Step 2, you’re typically looking for ratings of 7 or higher. You wouldn’t work on, say, “I shouldn’t have a hangnail,” and circle a 3. If you’re below a 7, you would find a different issue to work on, because the point here is to work on the things that you experience as stressful. In the case of the first worksheet at Phoenix House, everyone in that room experienced a great deal of stress related to the thought, “I shouldn’t be here,” so they all circled 10.

2

How strongly do you feel this belief to be true?

0 1 2 3 4 5 6 7 8 9 10

Next, in Step 3, you explore the cause-and-effect relationship between what you believe, how you feel, and

how you act. This step is broken up into two parts and looks like this:

3a

How do you **feel** when you believe this? (Circle below or add your own)

afraid abandoned angry annoyed
anxious confused depressed desperate
embarrassed frustrated helpless
hopeless hurt impatient inadequate
insecure invisible jealous nervous
rejected resentful tense upset worried

3b

How do you **act** when you feel this way? (Circle below or add your own)

argue belittle blame bully complain
cry drink eat escape fight
find fault with give up gossip insult
interrupt lose sleep manipulate obsess
overwork pity myself preach pretend
procrastinate shop shut down smoke
suffer withdraw yell

We started with 3a. I asked the men how they felt when they thought “I shouldn’t be here”? Angry? Then they would circle “angry.” Depressed? They would circle “depressed.” You’ll notice there are no happy feelings, because you’re working on issues that you find stressful. “I shouldn’t be here” didn’t make these men feel relaxed and joyful. It might make them feel something negative that’s not on the list, though, in which case they would just write it in. You want to find at least three feelings that are true for you, but circling more is encouraged.

3a

How do you **feel** when you believe this?
(Circle below or add your own)

afraid abandoned angry annoyed
anxious confused depressed desperate
embarrassed frustrated helpless
hopeless hurt impatient inadequate
insecure invisible jealous nervous
rejected resentful tense upset worried

Step 3 isn’t meant to be particularly hard, and it isn’t meant to be transformational. It’s meant to be revealing.

Emotional and behavioral techniques try to modify how you feel and how you act, but they overlook the fact that your emotions and behaviors don’t come out of nowhere. They come from your thoughts. Step 3 makes this visible. You can see that when you believe x, you feel y, and when you feel y, you do z. You see cause and effect in black and white made tangible through the written word. The men at Phoenix House had been trying to stop smoking, fighting, and blaming others, but they had never before looked at where these behaviors came from. Finally, we were moving towards the source.

Metaphorically speaking, ActivInsight flips a switch in your mind from on to off. This flipping takes place in these next two steps. Step 4 asks you to negate the statement you started with in Step 1. Don’t be put off by the word *negate*, drawn from formal logic. All you do is flip the main verb from negative to positive or positive to negative. I ask for the negation instead of the opposite because if the original statement is “He should love me more” and I asked you for an opposite, you might say, “He should hate me more.” But that’s not what we want. The correct negation for “He should

Sometimes people circle almost the whole list. The point is to be honest and thorough.

After 3a, you move to 3b and ask yourself, how do you act when you feel this way? For example, when you feel angry, do you yell? Do you smoke, or drink, or eat certain foods? Look over at Step 3b and you’ll see a list of behaviors. I asked the group how they felt and acted when they thought, “I shouldn’t be here.” Take a look at the complete list of feelings and behaviors they identified.

3b

How do you **act** when you feel this way?
(Circle below or add your own)

argue belittle blame bully complain
cry drink eat escape fight
find fault with give up gossip insult
interrupt lose sleep manipulate obsess
overwork pity myself preach pretend
procrastinate shop shut down smoke
suffer withdraw yell

love me more” is “He should not love me more.” Here are some more examples:

“She shouldn’t have said that” is negated to “She should have said that.”

“I want a dog” is negated to “I don’t want a dog.”

“We need to win” is negated to “We don’t need to win.”

“He’s a jerk” is negated to “He’s not a jerk.”

“I’m a failure,” is negated to “I’m not a failure.”

Once you’ve flipped the main verb, you’re almost done with this step. The last part is adding a qualifier so that having an insight will be a little easier. This usually involves adding the words *In reality* at the beginning of the negation and *at this time* at the end if you’re referring to the present or *at that time* if you’re referring to the past. You don’t do this in every case—there are variations for some statements—but as a general rule this is helpful. Here are some examples of completed negations to make this clearer:

“He should appreciate me more” becomes “In reality, he should not appreciate me more at this time.”

“That shouldn’t have happened” becomes “In reality, that should have happened at that time.”

“I need more money” becomes “In reality, I don’t

need more money at this time.”

“She should listen to me,” becomes “In reality, she should not listen to me at this time.”

I’m sure you get the hang of it. You flip the main verb from positive to negative or negative to positive, then add *In reality* at the beginning and in most cases *at this time* or *at that time* at the end.

So what’s the negation for “I shouldn’t be here”? If you said, “In reality, I should be here at this time,” you are correct. And if you think that the men at Phoenix House had a big problem with that statement, you are correct again.

The negation seemed like the least helpful statement we could have possibly come up with. Wasn’t I there to teach them how to live with less stress? Suddenly the stress level shot through the roof! And you may already be thinking about negations for some of the issues in your life and feeling something similar. (“In reality, I should *not* weigh less at this time!?”) So take a deep breath, and let me tell you what happened.

First, I explained to these men that their resistance

was actually a very good sign. And it is. It means that you’re hitting the place where stress is actually created in your mind. Think about this for a second. If ActivInsight simply confirmed the statements you already believed (“I shouldn’t be here” or “I should weigh less,” for example), you would feel no resistance because you agree. But you would also experience no insight, and would continue feeling stress. Insight by its nature involves the emergence of new information, so it’s inherently challenging. And if you’re open to that, it can lead to a very different experience than the one you’ve been stuck in. As Einstein said, “You can’t solve a problem with the same mind that created it.” You have to be open to seeing something new, and that means you have to be willing to challenge your own beliefs even though they seem undeniably true.

So I asked these men if they were open to having an insight, and they all said yes. They then wrote down on the lines of Step 4, “In reality, I should be here at this time.” Dudley muttered under his breath that he didn’t even want to make his hand write it, but they all did:

4

Write the negation of your statement from Step 1. In most cases, you also add “In reality” at the beginning and “at this time” or “at that time” at the end.

> *In reality, I should be here at this time.*

Step 4 puts your hand right on the switch you want to flip. Step 5 is where you flip it.

Flipping it involves proving that the negated statement is true. I suggested that the group imagine themselves as lawyers or as objective scientists whose sole job is to prove why these men *should* be here in reality at this time. What could they come up with?

There was a moment of dead silence. This is almost always the case when you’re new to ActivInsight and you’re asked to prove the negation. It just seems so unprovable. Then Jeff laughed and said, “In reality, I *should* be here at this time because the judge sent me here.”

“Yes,” I said. “Good. Write that down.” He did.

Then Dave said sarcastically, “In reality, I *should* be here at this time because if I walk out the door now, I’ll be sent back to prison.” (He was mandated to be there and couldn’t leave until his term was up.)

“That’s also good,” I said. “Write it down.” He did.

Manny added with a smile, “In reality, I should be here at this time because I did drugs and got arrested.”

“Yes,” I said. They all wrote that down.

Elwood went next. “In reality, I should be here at this time because I ignored the judge’s warnings.”

Little by little, they began fleshing it out and adding to their worksheets. Here’s what they came up with. See if you can sense how it got progressively deeper and more honest:

5

Write below all the proof you can find that supports the negation being true in reality at this time (or in the past). Be thorough, using an additional sheet of paper if necessary.

- *In reality, I should be here at this time because the judge sent me here.*
- *In reality, I should be here at this time because if I leave today, I'll be sent back to prison.*
- *In reality, I should be here at this time because I did drugs and got arrested.*
- *In reality, I should be here at this time because I ignored the judge's warnings.*
In reality, I should be here at this time because I did things they don't even know about.
- *In reality, I should be here at this time because I was hurting myself and people around me.*
- *In reality, I should be here at this time because I was screwing up my life, and this is where society sends people to get help.*
- *In reality, I should be here at this time because I need to turn my life around.*

Can you see what happened? The negation had started out seeming absurd. Of course they shouldn't be here! That was the switch set to on, where stress is a 10. But as they explored the negation, they slowly began to see how it was actually true in reality, just in this moment. This is what flipping off the switch requires. You have to see what you hadn't seen. That's what *insight* means: *seeing in* to the situation more clearly. The more you see into it, the more change takes place.

Dudley, who had been very resistant at the start, came up with those last two proofs. He looked at me with eyes I'll never forget and said, "Damn. This asks you to get real. I mean, to get *really* real, to own up to the truth." That's exactly right. ActivInsight asks you to get *really* real, but it doesn't do this through advice or lecturing. If I had *told* them to "get real" and finally admit that they should all be there—something that many family members, counselors, and probation officers had done—they would have gone into defense and fought me just like they'd fought everyone else, strengthening their belief that they shouldn't be there. But because I'm not a therapist, I don't have any authority to tell people anything. I also don't have any interest, because I know the power of insight. This process gives

people space and guidance to look at a situation for themselves. As a result, even very resistant people can open up to see things that they had previously missed. And that is the heart of transformation.

We took in this list as a group for a few minutes, reading out loud what they had come up with to see if there was any additional proof for the negation. Reading the proof to yourself is important, because it gives you a chance to take in all the evidence at once, and reading it out loud is even more effective as you hear yourself say it. The men at Phoenix House were surprised that what had seemed such an absurd statement just a few minutes earlier now seemed obvious. That's how you know you've finished Step 5 and the switch has been flipped—the negation rings true. With practice, this happens faster and more convincingly.

Next, we moved on to Step 6, which asks you to identify the feelings that come from the negated statement. When they saw that in reality they *should* be there at this time, they reported feeling calm, clear, honest, humble, peaceful, and understanding. Dave added that he was grateful, because if he hadn't been admitted to Phoenix House, he would probably be dead. He said that, until that moment, this hadn't fully occurred to him. They circled their feelings in Step 6a, like this:

6a

How do you *feel* when you see the truth of the negation? (Circle below or add your own)

calm clear compassionate connected curious
enlightened enthusiastic excited free grateful
honest humble intimate light loving optimistic
peaceful playful relaxed relieved serene
supportive tolerant truthful understanding

Then on the right side of Step 6a, in 6b, the worksheet asks how you might act when feeling this way. When you feel calm and clear, for example, what actions could come from that? Is there something you would do, or stop doing? They thought it over, and

talked about apologizing to people they had mistreated, accepting the consequences of their actions, participating in house activities, and finding jobs. They seemed sincerely excited by what they might do going forward. Here's what Step 6b looked like when they completed it:

6b What **actions** might come from this?
(Circle below or add your own)

accept apologize approach be honest breathe
clarify communicate contribute delegate exercise
explore focus follow through forgive give thanks
listen make amends network open up participate
prioritize reach out share speak up support
find a job

You'll notice that they wrote in "find a job." If the feelings you feel or the actions you can come up with aren't on the list, you write them in. The words on the page are just suggestions to help you get started.

You'll also notice that Step 6b has dotted lines around

it. This process is called *ActivInsight* for two reasons. First, it makes having an insight an active, step-by-step process instead of a passive one. And secondly, it prompts you to come up with action steps so that you can do something with what you realized. Some people cut out the action steps and tape them to their desk or schedule the action steps on their calendar. The men at Phoenix House each kept a folder and notebook and reviewed their worksheets during the week. Then they would tell me what they had done when we met again.

The last step, Step 7, simply asks you to rate the *original* belief again (not the negation). It's often helpful to add the qualifying words "in reality at this time" or "in reality at that time" to the original statement so your mind stays focused on the implied meaning. I asked the men how strongly they now felt that they *shouldn't* be here in reality at this time. Manny and Jeff said there was still a lingering sense of it being a true and gave it a 5. Dave and Elwood gave it a 3 and 1, respectively. And Dudley, who was very much a 10 when we started, shook his head in amazement and said that if he was honest about what was true in reality right now, it was a 0—he really *should* be at Phoenix House at this time given everything that led to this moment. I've circled 3 as their average.

7 Read your **original** statement again. How strongly do you feel this belief to be true now?

0 1 2 3 4 5 6 7 8 9 10

The difference between Step 2 and Step 7 is called the point drop. Often the first worksheets involve a very small point drop, say 10 to 9 or 10 to 8, or even no point drop at all if you don't yet understand how the negation works. In that case, you may want to try a less charged topic, and make sure you're clear on what Step 5 is asking you to do. Keep in mind that you're not condoning anything, nor are you suggesting that you want things to remain this way. You're simply focusing your attention on the truth as it appears in a single moment. When you do this sincerely, the point drop increases with practice. It's like a muscle that hasn't been stretched before and becomes flexible little by little. Soon you'll start at 10 and end at 3 or lower every time. These men did better than most newcomers because

they got "really real," as Dudley said, and were willing to see the truth of their situation.

The effect of the insight was dramatic. Previously, all five men had solidly believed that they *shouldn't* be there, and as a result they were angry and bitter, and they acted that out. Afterwards, they could see why in reality they *should* be there right then, and they felt and behaved very differently. Dudley's change was so remarkable that the other residents of the house wanted to join our group and try *ActivInsight* for themselves.

And that was just our first session. Over the weeks that followed, we worked through a wide range of other issues that bothered the men and that used to provoke them to use drugs. The more worksheets we



ActivInsight is taught as part of the Mobius Change Champions programs. We are proud to have Andrew as a member of our transformational faculty and to offer his work as part of our leadership development offerings.

did, the lighter the men felt and the less attractive drugs became. One of the more memorable worksheets was on “Selling drugs was easy money.” (It doesn’t use “should” or “shouldn’t,” but as you’ll see in Part Two, not every worksheet will.) Dudley gave this a 10 when he started, fondly remembering the huge roll of cash he used to carry and the things he could buy for his family. But after proving the negation (“In reality, selling drugs was not easy money at that time”) and seeing all the ways in which the negation was true—crazed addicts, competition with other dealers, shootings, drug busts, the constant fear that he would go to jail and never see his kids again—Dudley gave it a 0 and said now that he really thought about it clearly, selling drugs had been incredibly hard, and for the first time in years he was looking forward to going back to his job in construction. Several of the men said that if it hadn’t been for insights like this, they felt sure they would have returned to prison.

Perhaps you already see how ActivInsight provokes transformation in an accessible new way. Or perhaps you recognize that it worked at Phoenix House, but are less clear about how this translates to the stress in your life. It may seem like there’s an enormous difference between addicts in recovery coming to terms with their situation and the issues you’re facing. Don’t worry. In part 2, we’re going to explore common issues like relationships, money, success, and weight loss so you can see how this applies to more familiar topics. But before we roll up our sleeves, there’s one question we still need to address.

The myth of stress claims that stress comes from your external environment and that changes in this environment over time are causing you—and every-

one—to experience greater stress today. In short, there are far more stressors now than there ever were before. But if stressors don’t really exist and stress is produced internally, how do we explain what’s going on? Why are we experiencing so much more stress than people used to? ■



Andrew Bernstein is the author of *The Myth of Stress* and the founder of the Resilience Academy. Andrew serves as a member of the Mobius Transformational Faculty for select leadership programs. For more information, visit resilienceacademy.com.

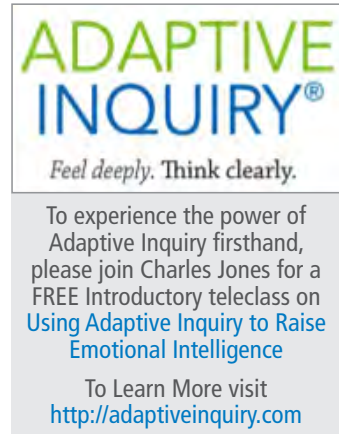


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A New Paradigm for Managing Stress

How Adaptive Inquiry® transforms Derailment Risks into Advancement Opportunities

by Charles M. Jones & Andrea Zintz, Ph.D., Mobius Senior Consultants and Executive Coaches



Background and Overview

When asked about stress in their workplace, business leaders consistently tell us three things:

1. The level of stress being experienced by their employees is at or near an all-time high.
2. A certain level of stress keeps employees on their toes and moving forward, but beyond this level, people start losing their edge, taking shortcuts, making mistakes, behaving badly, disengaging, and jumping ship.
3. Stress is having a significant impact on the bottom line.

Third-party research bears out these assessments:

- 41% of employees say they typically feel tense or stressed out during the workday. (American Psychological Association, 2009)
- 7 out of 10 employees identified as “high potentials” derail, and most of these derailments can be traced to stress-induced behavior. (Dotlich & Cairo, 2003)
- In a study of a large, multi-employer, multi-site employee population, healthcare expenditures for employees with high levels of stress were 46% higher than those for employees who didn’t have high levels of stress. (Goetzel et al., 1998)
- Job-related stress is estimated to cost U.S. industry more than \$300 billion a year in absenteeism, turnover; diminished productivity; and medical, legal and insurance costs. (Rosch, 2001)

When asked what they’re doing to address the issue of stress in their workplace, most of the business leaders we spoke to told us that beyond allocating funds to their Employee Assistance Program (EAP), they really didn’t see much they can do about it. Stress, they believe, is an inevitable part of modern corporate life, and given global competition, technological innovation and tightening regulations, the problem is only going to get worse.

We disagree. We believe the current epidemic of occupational stress has less to do with business conditions and more to do with a pervasive misunderstanding of what stress is, its underlying cause, and the options available for resolving it. In this article, we’ll:

1. Present a series of observations which, taken together, comprise a new theory of stress
2. Illustrate, through the use of a case study, how this new theory of stress is being used to resolve stress and increase performance in corporate settings

We’ll begin by dispelling a common misconception about what causes stress.

The Actual Versus Perceived Cause of Our Stress

A common misconception is that stress is caused by what’s happening in the world. *“It was a scary situation.” “This project is so frustrating!” “He made me angry!” “Last quarter’s results were quite disappointing.”* Common to all these statements is the assumption that our

When we mistakenly attribute the cause of our stress to unfavorable life conditions:	When we correctly attribute the cause of our stress to inadequate self-effectiveness:
"I'm afraid because there's a threat out there."	"I'm afraid because I'm at a loss to <i>neutralize</i> a threat."
"I'm angry because someone did something they shouldn't have done."	"I'm angry because I'm at a loss to <i>assert</i> a right."
"I'm anxious because something bad might happen."	"I'm anxious because I'm at a loss to <i>mitigate</i> a risk."
"I'm frustrated because something/one is thwarting my progress."	"I'm frustrated because I'm at a loss to <i>achieve</i> a goal."
"I'm resentful because someone hurt me and hasn't made amends."	"I'm resentful because I'm at a loss to <i>air</i> a grievance."
Etc.	Etc.

stress is being caused by events and circumstances, but a closer examination reveals that this assumption is the result of a cognitive error in which we're mistaking a stimulus for a cause.

We feel stressed, not because of what's happening in the world, but because we lack confidence in our ability to meet our needs in the midst of what's happening. Stress arises not from an evaluation of unfavorable life conditions, but from an evaluation of inadequate self-effectiveness.

For example, let's say you're feeling stressed about an upcoming project review meeting. You feel ashamed at the prospect of telling your teammates you're not going to deliver your piece on time and you feel apprehensive at the thought of being chewed out by your boss afterwards. And, when you reflect on why you're behind, you feel frustrated with regard to the number of times your computer has crashed and resentful toward the IT guy, who seems more intent on flirting with a woman in Sales than working on your computer problem.

While it may be tempting to attribute your stress to being behind on your deliverables, having an abusive boss, seeing your computer crash, or having to rely on a co-worker who's more interested in flirting than doing his job are evidence that your feelings of shame, apprehension, frustration, and resentment are not the direct consequence of these events and cir-

cumstances, per se. Rather, these painful emotions are the direct result of your subconscious mind being at a loss to meet your needs to be seen as a reliable team member, be treated with mutual respect by your boss, achieve the goals you've set for yourself around this project, and air what you believe to be a legitimate grievance to the guy in IT.

Whenever we blame our stress on events and circumstances – be it global competition, fickle customers, poor market conditions, micromanaging bosses, insubordinate employees, backstabbing co-workers, overly aggressive deadlines, etc. – we're mistaking stimulus for cause. The true cause of our stress is an inability to meet our needs in context of these events and circumstances.

While this might seem like a subtle point in theory, it makes a huge difference in practice. In fact, as we'll show later in this article, distinguishing between stimulus and cause is the single most important practice for managing stress. But, to see why, we'll need a few more distinctions. Let's look now at the relationship between needs, stress and painful emotions.

Needs, Stress and Painful Emotions

Just as we have physiological needs such as taking in nourishment and eliminating waste, we have psychological needs such as averting impending injuries/losses and achieving goals. Just as our body is constantly working

Psychological Need	Subconscious Stress	Painful Emotion
To <i>assert</i> what we believe to be our rights	We are at a loss to <i>assert</i> a right	Anger
To <i>mitigate</i> what we perceive as risks	We are at a loss to <i>mitigate</i> a risk	Anxiety
To <i>avert</i> what we believe to be impending injuries/losses	We are at a loss to <i>avert</i> an impending injury/loss	Fear
To <i>achieve</i> the goals we've set for ourselves	We are at a loss to <i>achieve</i> a goal	Frustration
To <i>air</i> what we believe to be legitimate grievances	We are at a loss to <i>air</i> a grievance	Resentment

“behind the scenes” to meet our physiological needs, our subconscious mind is constantly working “behind the scenes” to meet our psychological needs. In fact, we typically aren’t aware of a physiological need until our body is struggling to meet it, at which point the struggle is made known through some form of bodily discomfort such as hunger pains or abdominal pressure. Likewise, we typically aren’t aware of a psychological need until our subconscious mind is struggling to meet it, at which point the struggle is reflected through a painful emotion.

Although it’s common for people to equate stress with painful emotions, it’s both erroneous and dangerous to do so. When we manage our emotions, we’re managing the *symptoms of our stress, rather than its underlying cause. We make this mistake every time we invoke any of the following strategies:*

- Suppressing awareness of our emotions, i.e., pushing our emotions out of our mind or pretending we feel differently than we do—causing us to lose connection to our needs and live “in our heads”
- Acting out what we interpret to be the impulse of our emotion, i.e., throwing our laptop against the wall or cursing at a co-worker—often damaging our reputation and self-esteem in the process
- Numbing ourselves, i.e., with food, drugs, TV, video games, etc.—putting us at risk of addiction, and in the case of drugs, reducing our brain’s plasticity

The problem with all these approaches is they fail to address the underlying cause of our painful emotions

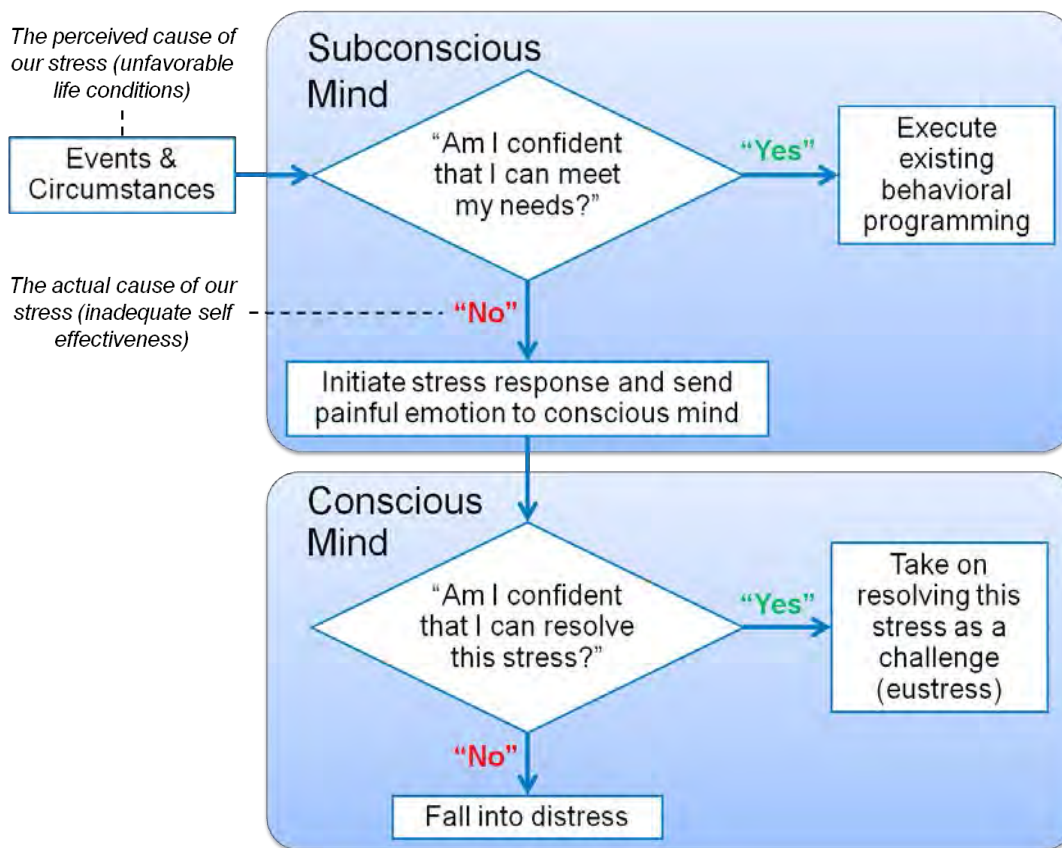
(e.g., our subconscious stress) while posing serious risks to our wellbeing and the wellbeing of others. The only real solution for managing our stress is to confront our subconscious mind’s assessment that it lacks the ability to meet one or more of our psychological needs and resolve this assessment. We’ll describe a process for doing this later in this article. Before we do, we must clarify the division of labor between our conscious and subconscious minds and the types of “stress” experienced by each.

Stress, Distress and Eustress

Contrary to the common sense view that we go through our day consciously directing our behavior, research has shown that upwards of 95% of it is orchestrated by our subconscious mind. Conscious thought simply isn’t needed for activities we already know how to perform (i.e., driving a car). When, however, our subconscious mind encounters a situation (i.e., deer by the side of the road) for which it isn’t confident it can meet one or more of our needs (i.e., our need to avert an impending injury/loss), it calls on our conscious mind for assistance, with this “cry for help” taking the form of a painful emotion (i.e., fear). It’s then up to our conscious mind to resolve the stress our subconscious mind is under by modifying our subconscious beliefs (i.e., “*upon closer examination, that’s a statue of a deer and I am not in imminent danger of injury/loss*”) and/or behavioral strategies (i.e., “*tap on brake to alert the driver behind me, then slow down and prepare to stop if necessary*”).

What’s important to notice is that our conscious

The Actual versus Perceived Cause of Stress



According to this new theory, "stress" is the result of an evaluation made by our *subconscious mind* that it isn't confident in its ability to meet one or more of our **psychological needs**, while "distress" and "eustress" are evaluations made by our *conscious mind* in response to **stress** and reflected through the medium of **painful emotions**. With these definitions in place, let's see why distinguishing between stimulus and cause is the single most important practice for managing stress.

and subconscious minds have very different responsibilities. It's the responsibility of the subconscious mind to meet our psychological needs using the beliefs and strategies at its disposal, and whenever it lacks confidence in its ability to do so, to communicate its stress to the conscious mind in the form of a painful emotion. It's then the responsibility of our conscious mind to modify the subconscious mind's existing programming (i.e., beliefs and strategies) such that the subconscious mind can do its job of meeting the psychological needs at play.

When the conscious mind receives news (via a painful emotion) that the subconscious mind is under stress, the conscious mind makes an evaluation of its own as to whether it will be able to successfully resolve it. When the conscious mind is confident it will be successful in resolving the subconscious mind's stress, it enters into a positive mental state, taking on the challenge of resolving the stress with

excitement, creativity, resourcefulness, and perseverance. Researchers call this state "eustress" and studies have shown that eustress—whether it appears in the context of carving your way down a challenging ski trail or achieving a stretch goal at work—accelerates learning and increases performance.

In contrast, when the conscious mind begins to lose faith that it will be successful in resolving the subconscious mind's stress, it falls into a negative mental state characterized by panic, desperation, withdrawal, and resignation. Researchers call this state "distress" and studies have shown it lowers performance and leads to anxiety, irritability, and depression.

The Single Most Important Practice for Managing Stress

When we mistake stimulus for cause and attribute our stress to events and circumstances, we tend to:

1. Erroneously conclude that the cause of our stress is outside our control (because many events and circumstances *are beyond our power to control*)
 2. Lose confidence in our ability to resolve our stress
 3. Fall into a state of distress in which our only options are to resign ourselves to living with this stress or rail against our fate
- We call this the “projective” interpretation of stress.

Behavioral signs that we are caught in the projective interpretation of our stress:

- > Regulating our Emotional State
- > Becoming Reactive / Volatile
- > Disengaging / Withdrawing
- > Getting stuck in Analysis Paralysis
- > Procrastinating
- > Defending Irrational Beliefs
- > Justifying Mistakes / Failures
- > Denying Facts that Challenge our Opinions
- > Playing the Victim / Blame Game

In contrast, when we correctly attribute the cause of our stress to a temporary inability to meet one or more of our needs, we tend to:

1. Conclude that the cause of our stress is within our control (because there are usually many ways to meet a given need)
2. Remain confident in our ability to resolve our stress
3. Enter into a state of eustress in which resolving the present stress represents an opportunity to update our beliefs, increase our competence and improve our performance going forward

We call this the “adaptive” interpretation of stress.

Behavioral signs that we are working the adaptive interpretation of our stress:

- > Feeling into our Emotional State
- > Thinking Things Through
- > Engaging / Reaching Out
- > Taking Calculated Risks
- > Taking the Initiative
- > Considering other Perspectives
- > Learning from Mistakes / Failure
- > Confronting the Brutal Facts
- > Assuming Ownership for Results

Whether we’re interpreting our stress through the projective or adaptive lens makes an enormous difference in how we respond to our painful emotions and whether we’ll ultimately be successful in resolving our underlying psychological stress. For this reason, we believe the practice of interpreting stress by evaluating inadequate self-effectiveness (the adaptive interpretation) is the single most important practice for managing it.

While conducting training programs on this material, we asked mid-level employees at several Fortune 500 companies how much of their time they spent in the projective versus adaptive interpretation of stress. The most common answer was 70% versus 30%. If this ratio is indicative of businesses worldwide, training employees how to recognize when they’re caught in a projective interpretation of their stress and shift into an adaptive interpretation represents a huge untapped opportunity to increase employee performance and quality of life.

Introducing Adaptive Inquiry

Adaptive Inquiry is a step-by-step process for shifting from the projective to the adaptive interpretation of stress and working the underlying evaluation of inadequate self-effectiveness to resolution. This process is now being taught to corporate employees and executive coaches.

What follows is a case study in which Andrea Zintz (co-author of this article) used Adaptive Inquiry to help a corporate executive shift from distress to eustress and make changes in his own beliefs and behavior that resulted in the resolution of his stress and a dramatic increase in his performance.

Andrea was brought in to coach “Gary,” an executive who’d been identified as a “high potential” and placed on a fast track to the C-suite. After three years of rising through the ranks, however, Gary was derailing. Once known as the “smartest guy in the room,” he now rarely spoke his mind, made faces he refused to explain, and had occasional outbursts of anger that damaged his reputation and self-esteem. Although he dressed in high-quality suits, his shirts were often not tucked in, and his tie was always slightly askew. Once thin, he was steadily gaining weight, and his boss worried that he was falling into depression.

Andrea asked Gary to describe situations at work he found particularly stressful. Gary reported that he felt frustrated with peers who advanced “unworkable” ideas

and angry when his peers “bullied” him into going along with their decisions. Since Gary seemed to be exhibiting more distress when talking about being “bullied” than when talking about his peers’ “unworkable” ideas, Andrea began with an Adaptive Inquiry into his anger.

Andrea knew from the Adaptive Inquiry method that anger arises when the subconscious is at a loss to assert a right. Andrea explored this with Gary and it led to his realization that he believed he had a right to have his opinions heard and suggestions considered and he’d lost confidence in his ability to assert these rights with his peers.

Having helped Gary see that the true cause of his anger was his own inability to assert what he believed to be his rights—not his peers’ behavior—Andrea led him through an exploration of the four “adaptive actions” available for resolving his stress.

She began by inquiring into Gary’s beliefs about what was and was not his “right” and what gave him these rights. In the discussion that followed, Gary revised some of his beliefs as to when and where he did and didn’t have a right to have his opinions heard and suggestions considered by his peers. Gary realized there were boundaries with peers where he clearly didn’t have a right to weigh in. That said, Gary also believed there were several topics on which he was entitled, given his role in the company, to have his opinions heard and suggestions considered.

Andrea then moved onto the second domain of adaptive action: changing practices. When she asked Gary what he had and hadn’t been doing to assert his right to be heard, he acknowledged that his practice of remaining defiantly silent in meetings—which he’d put in place to keep himself from “going ballistic”—was a counterproductive strategy for asserting his right and, in retrospect, may have even contributed to the psychological stress giving rise to his feeling angry. Gary and Andrea discussed alternative approaches he might take to establishing and asserting his right to have his opinions heard and suggestions considered. They looked into Gary’s recently revised list of situations where he believed he had this right. The practices included working through differences one-on-one in private prior to the group meeting, modifying the format of some of his meetings, and using different decision-making processes for different types of decisions. As Gary’s confidence in his ability to assert his right grew, the intensity of his anger diminished, and by the time Andrea and Gary had come to the end of their coaching session, Gary was visibly excited

The Adaptive Inquiry[®] Method for honoring Anger as a force for Mutual Respect



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to try out his new strategy.

In their subsequent coaching session, Andrea helped Gary resolve his frustration by shifting from a projective (“My peers are thwarting my progress!”) to an adaptive interpretation (“My tactic for achieving this goal isn’t working.”). At that point, Gary stopped blaming his peers for his lack of progress and instead, modified his tactics.

As Gary’s anger and frustration dissipated, subtler stresses appeared and with each—whether it revealed itself through feelings of resentment, shame, or despair—Andrea led Gary through an Adaptive Inquiry into each stress. With each shift Gary made from a projective to an adaptive interpretation of a stress, his mood improved and it wasn’t long before he began coming up with new ways to meet his needs and resolve his stress. Along the way, Gary had a number of insights, i.e., his overeating was a misguided attempt to “stuff” his feelings of resentment.

Over the next 6 months, Gary met his stretch goals, asserted his views, and managed his peer relationships with care. He lost weight, tended to his appearance and gradually regained credibility as a leader. By the conclusion of the coaching engagement, Gary had been placed back on the short list for CEO. Gary attributed these changes to the work he and Andrea did using Adaptive Inquiry.



Adaptive Inquiry is taught as part of
Mobius Transformational programs.

Summary

In this article, we've dispelled some common misconceptions about stress and demonstrated:

- The importance of distinguishing between the environmental conditions *stimulating* stress and the subconscious evaluations of inadequate self-effectiveness *causing* stress
- The dangers of confusing stress with the painful emotions that accompany stress
- The possibility of responding to stress with eu-stress rather than distress

We've also introduced you to Adaptive Inquiry, the revolutionary technique for transforming our relationship with stress from distress to eustress, and walked you through a real-life example of how Adaptive Inquiry is being used to relieve stress, increase performance, and mitigate derailment risks in corporations.

To learn more about Adaptive Inquiry, please visit:
<http://adaptiveinquiry.com/> ■

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About the Authors



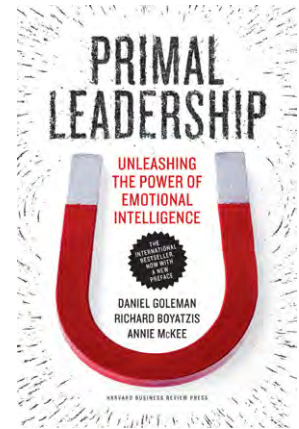
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Maximizing the Group's Emotional Intelligences

by Daniel Goleman, Rochard Boyatzis, and Annie McKee



Not surprisingly, a group's emotional intelligence requires the same capabilities that an emotionally intelligent individual expresses: self-awareness, self-management, social awareness, and relationship management. What's different though, is that the EI competencies relate both to individuals and to the group as a whole. Groups have moods and needs, and they act collectively—just think about the last time you walked into a meeting late and could actually feel the tension in the room. You could tell there had been a conflict of some sort, even before anyone said a word. The group, as a whole, was tense and poised for a fight. You also knew that the group, as a whole, needed some action to get back on track—and if it didn't happen soon, things would spiral downward. This is what we mean by group moods and needs.

As is true with individuals, in teams each of the EI abilities builds on one another in practice, becoming a kind of continuum. In other words, when team members begin to practice self-awareness, noticing the group's mood and needs, they tend to respond to one another with empathy. The very act of showing one another empathy leads the team to create and sustain positive norms and manage its relationships with the outside world more effectively.

At the team level, social awareness—especially empathy—is the foundation that enables a team to build and maintain effective relationships with the rest of the organization.

The Self-Aware Team

An engineering firm's management team had scheduled its weekly meeting at an offsite location. Just as the meeting was about to begin, one team member stormed in, mumbling something about the meeting being held at a place and time that was inconvenient for him. Noticing how upset

he was, the leader called everyone's attention to the sacrifice the team member was making and thanked him for it. The effect of that acknowledgment: no more anger.

A team expresses its self-awareness by being mindful of shared moods as well as of the emotions of individuals within the group. In other words, members of a self-aware team are attuned to the emotional undercurrents of individuals and the group as a whole. They have empathy for each other, and there are norms to support vigilance and mutual understanding. So although this team leader's gesture may have seemed simple, often just such an astute and seemingly subtle move can do more to reduce dissonance and restore resonance than an action full of bells and whistles.

Since emotions are contagious, team members take their emotional cues from each other, for better or for worse. If a team is unable to acknowledge an angry member's feelings, that emotion can set off a chain reaction of negativity. On the other hand, if the team has learned to recognize and confront such moments effectively, then one person's distress won't hijack the whole group.

That intervention in the engineer's team points to the near seamlessness between a team's self-awareness and empathy, which leads to its self-management. It also illustrates how a leader can model behavior. The leader in this case modeled an empathetic confrontation of a member's emotional reality and brought it to the group's attention. Such a caring attitude builds a sense of trust and belonging that underscores the shared mission: We're all in this together.

Team self-awareness might also mean creating norms such as listening to everyone's perspective—including that of a lone dissenter—before a decision is made. Or it

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“Connecting with one's dreams releases one's passion, energy and excitement about life. In leaders, such passion can arouse enthusiasm in those they lead. The key is uncovering your *ideal self*—the person you would like to be, including what you want in your life and work. That is the “first discovery” of the self-directed learning process....Developing that ideal image requires a deep reach inside to one's gut level. You know you have touched it when you feel suddenly passionate about the possibilities your life holds.”

—Daniel Goleman, Richard Boyatzis and Annie McKee, *Primal Leadership*

can mean recognizing when a teammate feels uncomfortable in learning a task, and stepping in to offer support.

In their research on teams, Susan Wheelan of Temple University and Fran Johnston of the Gestalt Institute of Cleveland point out that very often it is an emotionally intelligent team member—not just the leader—who is able to point out underlying problems and thus raise the self-awareness of the group. Such was the case at a strategic planning session at Lucent Technologies.

The meeting was going all too predictably. The reigning executive had asked, as she always did, for a “stretch goal” to set next year’s numbers. The team responded with its usual bravado: “Double digit!” “We can do anything we set our minds to!” But Michel Deschappelles, currently a regional vice president for Latin America, felt frustrated. He knew that the team’s norm of public bravado had long masked underlying patterns of ineffective goal setting—which went far to explain the division’s slow growth—and reflected people’s tendency to avoid accountability by hiding behind vague goals.

He decided to challenge his teammates: “Do you guys really mean it?” he asked. “Then let’s go for 400 percent growth this year! Let’s make that our goal!” You could see the reaction on people’s faces: They thought he had gone mad. For a moment dismay paralyzed the group. But after a few minutes, people started to laugh: Deschappelles had called their bluff and shed light on the group’s hidden norm of empty bravado.

His challenge initiated a frank discussion about how the team had hidden the truth of its performance behind meaningless phrases. Soon the team was able to have more realistic conversations about measurable goals and concrete steps to attain them, holding one another accountable for what they could achieve as a team. That proved to be a pivotal moment for business performance,

creating new clarity about who was responsible for what. For the first time, financial results for the following fiscal year let the team demonstrate its value to the corporation: They helped to close over \$900 million in sales.

Deschappelles’s actions sparked collective mindfulness—awareness of what the team was doing, and why. This level of self-awareness in a team leads to an ability to make decisions about what to do and how to do it, rather than blindly following ineffective norms or swaying with the winds of team members’ (or the leader’s) emotions.

The Self-Managed Team

Cary Cherniss, chair of a well-known research group, puts team self-awareness front and center and holds group members accountable for managing how they work together. At the beginning of a day-long meeting, he passes out the day’s agenda—along with a list of “process norms” that outlines how the group will carry out that agenda. For example:

Everyone, not just Cary, should take responsibility for:

- *Keeping us on track if we get off*
- *Facilitating group input*
- *Raising questions about our procedures (e.g., asking the group to clarify where it is going and offering summaries of the issues being discussed to make sure we have a shared understanding of them)*
- *Using good listening skills: either build on the ongoing discussion or clearly signal that we want to change the subject, and ask if that is ok . . .*

Members of this group, who come from around the world, say these meetings are among the most focused, productive, and enjoyable of any they’ve attended.

This example offers an excellent lesson in how a team led by an emotionally intelligent leader can learn to manage itself.

Of course, Cherniss should know what he's doing—after all, he heads the Consortium for Research on Emotional Intelligence in Organizations at Rutgers University. But none of the process norms that Cherniss passed around were out of the ordinary, in and of themselves. What was unusual was that Cherniss made sure he reminded the group of its collaborative norms—making them explicit so that everyone could practice them.

This raises an important point about team self-management: Positive norms will stick only if the group puts them into practice over and over again. Cherniss's group continually maximized its potential for interacting with emotional intelligence, raised its level of effectiveness, and produced a positive experience for all of the group members each time it met. Being so explicit about norms also helped to socialize newcomers into the group quickly: At one point, the consortium doubled its size, but did so smoothly because people knew how to mesh.

When core values and norms are clear to people, a leader does not even need to be physically present for the team to run effectively—this is of special importance to the thousands of managers who work with virtual teams and whose team members are located all over the globe. In self-aware, self-managing teams, members themselves will step up to the plate to instill and reinforce resonant norms and to hold one another accountable for sticking to them. At one research laboratory, for example, no one can remember who started what has become a tradition during meetings of R&D groups. Whenever someone voices a creative idea, the person who speaks next must take the role of an “angel's advocate,” offering support. That way the prospects are better for the survival of the fragile bud of an idea, insulating the innovative thought from the inevitable criticisms. The “angel's advocate” norm does two important things: It helps to protect new ideas, and it makes people feel good when they are creative. As a result, people are more creative, and resonance is continually reinforced in the team.

So, team self-management is everyone's responsibility. It takes a strong, emotionally intelligent leader to hold the group to the practice of self-management, especially for teams not accustomed to proactively handling emotions and habits. When core values and the team's overall mission are clear, however, and when self-management norms are explicit and practiced over time, team effectiveness improves dramatically, as does the experience of team members themselves. Being on the team becomes rewarding in itself—and those positive emotions provide energy and motivation for accomplishing the team's goals.

The Empathic Team

A team in a manufacturing plant knew that its success depended in part on getting the maintenance team to give their equipment top priority. So the manufacturing team members nominated that team for a “Team of the Quarter” award, and they wrote the letters that helped the maintenance team win. That relationship polishing helped the manufacturing team maintain its record as one of the plant's top producers.

The effect was clear: By helping to trigger a feeling of team pride in the maintenance group, the manufacturing team created good-will between those two parts of the organization—and a desire to help the other succeed. The team used its skills to try to understand another part of the organization and how the two groups affected one another, thereby cultivating a mutually beneficial relationship. As a result, both teams succeeded better than either one would have on its own.

An emotionally intelligent team, then, has the collective equivalent of empathy, the basis of all relationship skills. It identifies other key groups in the organization (and beyond) that contribute to the team's success, and it takes consistent action to foster a good working relationship with those groups. Being empathic at the team level doesn't just mean being nice, though. It means figuring out what the whole system really needs and going after it in a way that makes all those involved more successful and satisfied with the outcomes. The manufacturing team's proactive stance worked on two levels: It built resonance between the two groups, and it helped shine a spotlight on the good work of the maintenance team when it was recognized as the plant's top performer.

Empathy across organizational boundaries—team to team, for example—is a powerful driver of organizational effectiveness and efficiency. Moreover, this kind of empathy goes far toward creating a healthy emotional climate organization-wide, as well as creating a positive emotional environment in teams themselves. ■

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DIALOGUE WITH DAN GOLEMAN

author of *Emotional Intelligence*, *Primal Leadership* and the forthcoming book *Focus: The Hidden Driver of Excellence*

and our CEO Amy Elizabeth Fox

Conducted on September 6, 2013.

Q In your new book, *Focus*, you talk about great leaders needing to engage *Exploitation* and well as *Exploration*. Why are these two functions so critical and how are they different?

A These are the two main approaches to business strategy actually. In *Exploitation* you take something you are very good at and you get better and better at it. You progress and you find success in fine-tuning what you do. This is what made Microsoft so profitable for so many years. The problem is that the world in which what you do so well paid off doesn't stay still. Things move, things change and *Exploration* is what you then need. *Exploration* is the strategic approach that says "What's new? What's innovative? What is the unfilled niche today?" It is Apple in the years that it overtook Microsoft. It means coming up with new ways of doing things with innovation, with creative insights, and with new approaches to business that are going to pay off in new ways in a new reality.

Q How can organizations build the capacity for *Exploration* as that seems to be a key strategic task in times of fast paced change?

A One of the difficulties of getting to *Exploration* is the seduction of *Exploitation*. It is so comfortable and easy and pleasing to keep making money in the same old way. In a sense this is a trap because as with Microsoft or Blackberry the ways that you made money that are so pleasing aren't going to last.

What helps an organization be better at *Exploration* and what helps key individuals who are strategic thinkers get better at it is to realize that they have to detach, to let go of what seems such an obvious path to success. They need to start looking at creative alternatives and that means from an intentional point of view, from a focus point of view, not just concentrating on what has been

working but letting your mind roam free and gathering as much information as you can, as much input as you can, about the new reality.

In the creative process there is this paradox in that our best ideas come to us from the bottom up brain. This is a part of the brain that works automatically, that is a voracious information processor but is out of our awareness. That's why our creative insights come to us in off times because when we are really focused and effortfully concentrating on a goal or on a task or on a problem our focus suppresses this part of the brain. We don't get the messages.

But in our downtimes, our off moments such as when we are taking a shower or going out for a walk or when we're meditating, whatever it may be then we hear the small voice that says "Hey, put these two things together, these two elements and you'll have a novel combination". That is a creative insight and we are only going to let it reach our awareness if we get into another mode of focus. That is when the creative innovations, the *Exploration* starts to bear fruit.

Q I love how much of your work focuses on neuroscience and how it can inform our views on leadership development. Through your work on emotional intelligence many of us have come to understand the amygdala and its role in fight or flight protection. Dan, you were just talking about the bottom up part of the brain. In the new book you focus on this different aspect of brain functioning, this bottom up part of the brain, especially the insula. Why is the insula important for leaders to understand?

A The insula is extremely important in understanding how attention works in the brain and how to use it in the most effective way. The insula is the part of the brain

that monitors our organs and our entire body, so when you tune into your “gut feeling” you are using your insula.

The bottom up brain, this enormous information processor, has no direct connection to the verbal cortex, the part of the brain that thinks in words. However, it has enormous connectivity to the GI tract, to the gut. We get its input often as a felt sense, an instinct that “this feels right” or “this doesn’t feel right.” The insula is a rudder in life and it’s a rudder in business too because no matter how good the numbers may look there may be something in your life experience that tells you “Hey wait a minute we shouldn’t go ahead with this deal” and that’s information too. So the insula helps us track that. It’s absolutely crucial for very effective self awareness.

Q In the book you talk about self-awareness as the one meta-ability that all leaders need to have. And you posit a link between high self-awareness and smart decision-making. Can you explain how this works?

A It’s counter intuitive because self-awareness is the most elusive of all the leadership competencies we find. In fact many organizational competence models neglect self-awareness. You just don’t see it but it is absolutely crucial. There was just a study published of traders in London and it showed that those with the highest self awareness made about half million pounds a year and those with the lowest self awareness about one hundred thousand. I believe that self-awareness makes a huge difference in business. What’s hard is that we cannot see it explicitly in another person the way you can see relationship skills; these are the most obvious in the leadership set. With self-awareness you have to deduce it from how people behave.

But in our own lives it is extremely important that each of us have a heightened Self Awareness because it’s crucial for self-management. For example, it is key to being able to keep your eye on the goal and not get distracted by all of today’s technology interruptions: emails, texts, cell phones. We have this barrage of temptations and distractions coming to us because of our apps and our tech devices. That’s a new business reality. It means we are besieged, and our attention and focus on that one thing that we are supposed to do at any given moment of work is continually threatened. Its having strong self awareness that lets you monitor that and see, “Is my attention drifting off into that thing that’s seductive or interesting but not important, or can I stay on task.?” So self-awareness is fundamental to getting the job done.

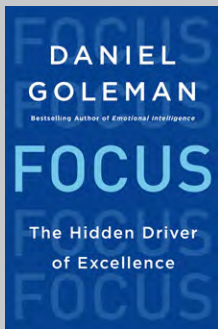
Q You said the emergent research on focus has caused you to rethink emotional intelligence. Specifically in the new book you talk about the importance of a leader attuning to an inner emotional reality and to that of those they seek to inspire. Can you share with us what’s new in your understanding of emotional intelligence for leaders?

A The brain intermingles its circuitry for attention and emotional intelligence. This made me realize my model of emotional intelligence could be reformulated in terms of attention: Inner focus includes self-awareness and self-management; Other focus include social awareness and relationship management.

Highlighting the hidden role of attention in these competencies can help with coaching and cultivating strengths in them, by more explicitly assessing and training the underlying attention abilities.

“Leading attention requires these elements: first, focusing your own attention, then attracting and directing attention from others, and getting and keeping the attention of employees and peers, of customers or clients.”

—Daniel Goleman



The author of the international bestseller *Emotional Intelligence* returns with a groundbreaking look at today's scarcest resource and the secret to high performance and fulfillment: attention.

For more than two decades, psychologist and journalist Daniel Goleman has been scouting the leading edge of the human sciences for what's new, surprising, and important. In *Focus*, he delves into the science of attention in all its varieties, presenting a long-overdue discussion of this little-noticed and underrated mental asset that matters enormously for how we navigate life. Attention works much like a muscle: use it poorly and it can wither; work it well and it grows. In an era of unstoppable distractions, Goleman persuasively argues that now more than ever we must learn to sharpen focus if we are to contend with, let alone thrive in, a complex world.

Goleman analyzes attention research as a threesome: inner, other, and outer focus. A well-lived life demands that we be nimble at each. Goleman shows why high-performers need all three kinds of focus, as demonstrated by rich case studies from fields as diverse as competitive sports, education, the arts, and business. Those who excel rely on what Goleman calls smart practice—such as mindfulness meditation, focused preparation and recovery from setbacks, continued attention to the learning curve, and positive emotions and connections—that help them improve habits, add new skills, and sustain excellence. Combining cutting-edge research with practical findings, *Focus* reveals what distinguishes experts from amateurs and stars from average performers. Ultimately, *Focus* calls upon readers not only to pay attention to what matters most to them personally, but also to turn their attention to the pressing problems of the wider world, to the powerless and the poor, and to the future, not just to the seductively simple demands of the here and now.

***Q* You introduce the notion of three areas of focus: inner, other and outer. Can you elaborate on each?**

A Inner focus includes self-awareness and self-management, which of course is half of Emotional Intelligence. Other awareness refers to empathy and relationship management – social intelligence -- which is the second half of Emotional Intelligence. I co-designed a 360-degree assessment tool with the HayGroup, the Emotional and Social Competence inventory, for helping executives get better at these abilities.

And then I describe Outer focus, mainly systems level awareness. I argue that all three kinds of focus are essential to leadership. Outer focus is being aware of the larger forces that are at work that impinge on what you are doing, and that determine the success or not of what you are trying to do and the way you are trying to do it. So it might be organizational dynamics. It might be new technologies that are going to shake up your market. It might be new environmental realities. For example, earlier today I read in the Times that the movement among institutions like universities to divest companies that are upping the carbon in the air is really gaining traction. In certain sectors you better be

aware of this and think about sustainability and investment risk. In other words leaders don't just need inner awareness and empathy and getting along and managing other people but also a keen sensitivity to the larger forces at work.

This notion, that companies need to be alert to, and scanning their external environment, is featured in a recently developed organizational assessment instrument created by McKinsey & Company called the Organizational Health Index.

***Q* In the book you took about organizations struggling with a negative climate. What is a negative climate and how do so many organizations wind up with one and at what costs? What can one do about that?**

A Negative climates develop on teams within divisions and within entire organizations. We see so many organizations struggle when employees lose focus and get disengaged. There are two main internal states in people who report feeling negative in an organization. One is being so stressed that you are continually frazzled and the other is that you are so alienated and disinterested that you are constantly bored.

Alienation may come for example from having a run-in with a superior where the boss is rude, abrasive, demeaning and so on and then thereafter you are alienated. You just don't feel that you belong in this family anymore although you are still occupying a desk .. Or it may be that you are underchallenged – that your job does not engage either your best abilities nor what you care about most.

Of course the antidote to these two negative climates varies according to what the particular diagnosis is. In the case of the employee who is disinterested or alienated it's quite different from the employee who is overwhelmed.

So to start with the people who are disengaged, the answer is to find something that will bring them back in, that will motivate them, something that will have them bring their whole selves to work. It may be changing the definition of what they are doing, of what their job is or finding something they have a personal passion for and helping that become part of what it is they do. Or it may be a leader who can articulate an inspiring mission that actually resonates with that person, but it has to be an authentic resonance from the heart to the heart. There are various strategies for disengaged employees.

There has been a whole movement in the organizational literature in the last decade helping organizations to identify what their employees strengths are, what kind of tasks give them energy, and to let them inform their career path. Many companies these days are helping manager's to investigate the natural strengths of their employees and to use these to inform their career path. There may be a leader who can articulate an inspiring vision that actually resonates with that person and you assign the employee to one of the leaders active projects.

For those who are overly stressed you have to ask the question are we really giving them enough support or are we asking too much of them. Is there a way in which we can lower the bar and actually get better productivity...questions like that.

There has also been some wonderful work coming out of Tony Schwartz and the Energy Project on how to help employees manager their energy (mental, physical, emotional and spiritual) to stay engaged and invested in their work over time.

Q I loved the notion of a leader's aperture. Why is cultivating a strong scanning ability so important for leaders and what is its role in innovation?

A Aperture is using your attention like the aperture on a camera, zooming in or zooming out. It means you are flexible about what you see and you are not stuck out there or in here. You can switch as needed. Zooming in is seen, for example, when you make a presentation and you are picking up how the people are reacting so that you can fine tune what you say or how you say it or when you say it. Zooming out is absolutely crucial as well. This is taking a wide scan and learning to pick up on the environment, on what is going on in the outer world to make sure your team, your unit or your company is responding to the changing eco-system in which the organization exists.

Q What happened personally that led you to write this book on Focus?

A A couple of things led to my interest in this area. First, I noticed personally this tension that I mentioned between getting what you have to do accomplished and all the temptations of email and texts and so on, all the seductions of attention that are constantly pulling at us. And also noticing how it intrudes in relationships. You go out to a restaurant and you can see a couple spend much of the dinner reading their texts and emails. Or you can see an entire family and everyone is looking at an electronic screen the entire time. Or at least half of them are. I wanted to understand what is happening and I realized that our attention is being besieged.

As a science journalist, which is my background, I am also tracking new research and in the last two or three years there has been a real explosion of findings about the attention circuitry in the brain. And I thought this had huge implications. And this is very similar to why I wrote Emotional Intelligence because at that time there was a wave of new research findings on the brain and emotions, which to that point had been little understood -- and yet were crucial in our lives and in our work places. Here I am doing the same thing for attention that I did for emotions in Emotional Intelligence.



To pre-order *Cultivating Focus: Techniques for Excellence* CDs:

<http://morethansound.net/shop/cultivating-focus-techniques-for-excellence>

Q Let's follow up on this theme of attention, of focus. I can't help but think of one of your earliest books, *The Meditative Mind*. In that book you wrote about mindfulness practice and its power to improve our ability to direct our attention. How can mindfulness help with Focus or in building the skill of directing your attention?

A Well in that first book which I wrote way back in 1980's I said that meditation is a retraining of your attention. That is the way cognitive science looks at what you are doing when in meditation you make a pact with yourself to focus your attention on this one thing, or to maintain a mindful attentional stance to whatever arises in your awareness. If you think of the mind as a mental gym, the basic move in meditation is a direct analog to working on a Cybex machine and doing reps to build your bicep muscle. Every time your mind is wandering and you bring it back you are strengthening the neural circuitry for attention. Meditation is a very direct method for upping your ability to focus.



Erica Ariel Fox, author of *Winning From Within™*, and Dan Goleman, author of *Focus*, at the recording session for their video in the series *Leadership: A Master Class*.

Q For close to thirty years you have been a champion of mindfulness and the importance of mindfulness for leaders but also for society at large. In the last number of years, in part due to your pioneering scholarship and teaching, many companies are increasingly teaching mindfulness to their employees. What do you hope will be the benefit of this and what is the link between this and your new work on focus?

A Dozens of companies now offer mindfulness training to their employees, and the research suggests this makes good sense. It not only strengthens the neural circuitry for attention, but also tends to make people more empathic and helpful. And that can only lead to a more positive, productive organizational climate.

But apart from work, I also hope that schools will include attention-enhancing exercises for kids. In preschoolers, this increases a child's learning readiness: they are more able to pay attention to the teacher, concentrate on their work, and manage their emotions and feelings so they are better behaved. This cluster of abilities – called cognitive control – turns out to predict their health and career success better than their childhood IQ or even the economic status of their family of origin.

Q Beyond just individual capacities to increase focus I wondered, too, if there was an application of these principles to the effectiveness of teams to work together and generate collective intelligence and to organizations as a whole?

A It is not just teams but organizations as a whole that share attention and distribute attention. If you think of the different divisions of a company -- marketing, finance, R&D and so on -- you are talking about different ways people deploy their attention and then share across those siloes what they do, what they learn, to create a collective intelligence which is the intellectual

capital of that group. Teams are a kind of microcosm of that where the attention of everyone on the team creates a collective intelligence that is greater than any one person. There is a Japanese saying that “All of us are smarter than any one of us” because of this ability to expand the collective bandwidth of attention and to share what we learn from these different channels.

You see attention operate at the group level in a team. Self-awareness means that a team can understand its own dynamics and self-correct. For example a team can see that a problem is simmering and deal with it rather than let it blow up, or it can use its self-awareness to create high level of harmony and collaboration which is one mark of high performing teams. It can use the analog of empathy to understand other parts of the organization or key groups that impact the team, and understand those people’s point of view, so that you can interact more effectively or mesh with them more smoothly or influence them to get what you need. So attention operates at every level whether it’s a team or a company or society as a whole.

Q *It’s very touching for me that even as your new book, Focus is being published our President Erica Ariel Fox’s new book, Winning From Within™, will also be published by Harper Business this Fall.*

I know you and Erica conducted a wonderful conversation last Spring about her work that is now part of the Leadership: A Master-Class Series produced by our media partner More Than Sound. I know, therefore, that you are familiar with Erica’s model of the “inner negotiators” and her focus on negotiating first with yourself.

Can you explain how this critical inner monologue among the Big Four (Thinker, Warrior, Lover and Dreamer) all play out as leaders try to maintain their focus and get results in the world?

A As Erica suggests, each one of these parts of us has a different kind of focus. Each of the Big Four has a different expertise. In order to operate on all cylinders we need to be as good at each of these as is possible and to integrate them. To bring the information that each of them gathers into a central understanding and to marshal that information for whatever decision may be at hand. This is why I believe Erica’s method will make a great contribution to leadership development helping people to move fluidly among these dimensions of focus and develop a more centered and integrated approach to how to deploy them. ■

“The best leaders have systems awareness, helping them answer the constant query, where should we head and how? The self-mastery and social skills built on self and other focus combine to build the emotional intelligence that drives the human engine needed to get there. A leader needs to check a potential strategic choice against everything she knows. And once the strategic choice gets made, it needs to be communicated with passion and skill, drawing on cognitive and emotional empathy. But those personal skills alone will flounder if they lack strategic wisdom.”

—Daniel Goleman



I wanted to share this fundraising request I recently received from my dear friend, Bruce Baird Struminger. Hoping it moves you too. —Amy

Help support the development of school libraries in Vietnam and Laos

For over three years now I have been involved with a fantastic organization called Room to Read. I learned about Room to Read while working in Vietnam; it is an international non-profit organization focused on educating children in the developing world. The organization currently focuses its activities in nine countries, all with a desperate lack of educational resources: Bangladesh, Cambodia, India, Laos, Nepal, South Africa, Sri Lanka, Vietnam and Zambia. Since its inception in year 2000, Room to Read has impacted the lives of over 5.1 million children by:

- Building 1,000 schools;
- Establishing over 11,000 libraries;
- Publishing 533 local language children's titles, representing over 4.8 million books;
- Donating over 3.8 million English language children's books;
- Funding 10,000 long-term girls' scholarships.

I am writing to ask for your support. In conjunction with my 50th birthday on August 17 I launched a campaign to build school libraries in Vietnam and Laos, in partnership with Room to Read. My goal is to raise \$10,000, the funding needed to open two school libraries, and any contribution you could make would be greatly appreciated.

Every little bit helps, and you'd be surprised how quickly small donations, whether \$25 or \$250, add up to make a huge impact! My hope is that together with you and others, we can meet the fundraising goal by December 31, 2012.

I've chosen to support Room to Read because I believe education is the key to both social and economic development and access to a library of wonderful books is at the core of an opportunity for a good education. Libraries have been among my favorites places to spend time, and I have felt very privileged to have access to excellent school and public libraries much of my life. Often when traveling around the developing world, and parts of the US like the Navajo Reservation where I now work, I have noted that libraries are either non-existent or empty of books. Libraries are the places where I have received much of my professional and personal inspiration. My primary and middle school librarians were among my favorite teachers and their recommendations for new authors and books opened up many wonderful worlds for me. The hours I spent exploring the libraries at Harvard as an undergraduate and graduate student and at the Boston Athanaeum exploring the stacks were formative and are among my favorite memories. With 796 million illiterate people in the world, 2/3 of which are female, we can't afford not to take action.

Please consider making a donation to help with my goal to support the creation of several school libraries in Vietnam and Laos. Isabel and I lived for three years in Southeast Asia, based in Hanoi. Isabel taught part time at the best public school in Hanoi and remarkably its library had a paucity of English language books. Having been involved in large development efforts, at the end of the day I felt support of education was the most meaningful and sustainable of development strategies. Isabel and I both believe that great books offer a student the opportunity to gain knowledge and explore new worlds beyond their neighborhood that can foster personal and social development, and ultimately world peace through deeper understanding of those who are different from us. Education has been proven as the single most effective poverty-fighting tool, and I can't think of a better investment. I have made the first contribution of \$250 to get things started, and will make another \$250 contribution when we reach the \$5000 mark.

Best wishes, Bruce

<http://roomtoread.kintera.org/faf/donorReg/donorPledge.asp?event=323507&supid=391095328>





Business
Partnerships

The Rewards (and Risks) of Going into Business Together

An Excerpt from The Partnership Charter

by David Gage, Founder, BMC Associates and Mobius Senior Expert in Business Mediation

PARTNERSHIP” IS A SEDUCTIVE buzzword in the business world today. My phone company wants to be my “partner in communication,” and my doctor at Kaiser Permanente wants to be my “partner in health.” Company owners hear constantly about the virtues of becoming partners with their customers, their employees, their vendors, and even their competitors. The overuse of the term *partner* has stripped it of traditional meaning, which in business has been two or more people joining together, pooling their money and talents, and taking a risk. Partners are people out to create or build something—together. They are putting something at risk in the hopes of creating a sustainable venture.

This book is about business partners, for the most part without regard to their legal status as partners. They may be in a partnership or a corporation. They may own property together or be co-producers of a Broadway musical. What matters is that they have a duty to one another, and the actions of one partner affect the others. In this sense, partnership is a state of mind. Partners sink or swim—together.

The enthusiasm for partnering is rooted in a down-to-earth fact: You’re much more likely to succeed in a business with a partner than without one. Entrepreneurs who have succeeded by pooling their strengths far outnumber those romantic figures, the lone entrepreneurs who have triumphed over all odds. *Inc.* magazine’s annual list of the hundred fastest growing companies typically shows that partners founded about two thirds of them. Every year, partnerships likewise dominate *Entrepreneur’s*

annual list of the “hottest” companies. The vast majority of high performance companies are started by people with partners.

Academic studies confirm the importance of partnering. Researchers from the Center for the Study of Entrepreneurship at Marquette University investigated a sample of nearly two thousand companies and categorized the top performers as “hypergrowth” companies and those at the bottom as low-growth companies. Solo entrepreneurs founded only 6 percent of the “hypergrowth” companies. Partners founded a whopping 94 percent, and many of those companies had three or more founders. In stark contrast, solo entrepreneurs founded nearly half of the low-growth companies.

Founding partners are memorialized in the names of some of the world’s most successful and visible businesses: William Hewlett and David Packard, for instance, or Charles Dow and Edward Jones (who actually had a third partner, Charles Bergstresser). Sometimes partnership origins are less obvious. EMC, the world’s largest data storage manufacturer, was founded in 1979 by Richard Egan, the “E,” and Roger Marino, the “M.” (“C” was a third person who did not make it to the actual founding.) The company that employs more people than any other on the planet, Manpower Inc., was founded by Elmer Winter and Aaron Scheinfeld. Compaq Computer Corporation was the brainchild of three Texas Instruments engineers. Intel was cofounded by Gordon Moore and Robert Noyce. Home Depot was started by Bernie Marcus and Arthur Blank. Even Microsoft, which for years

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many people thought was founded only by Bill Gates, was cofounded by Paul Allen. The list goes on and on.

The Attraction of Ownership

People usually form partnerships because they want to own a business. In a partnership, you don't own 100 percent, of course, but for most partners owning part of a business is much better than owning none at all.

Having partners is often what makes ownership possible. Partners provide the missing link—the money, expertise, ideas, skills, connections, facilities, patents, whatever it happens to be—that an entrepreneur needs to make a go of a business.

What is it about owning a business that is so appealing? One answer is freedom. People are not free when they work for someone else. Freedom may be limited in a partnership (partners are accountable to one another), but there's a world of difference between being an employee and being a co-owner when it comes to freedom.

For many people, too, the desire to own a business stems from a creative impulse. Ownership is a way for them to build something of their own. Others see ownership primarily as the path to a less-elevated goal: wealth. Wealth as a goal is potentially troublesome in a partnership. Partners who define their goals in terms of personal financial enrichment have a special obligation to be explicit about their motives, because focusing on one's own financial gain won't necessarily lead to decisions that benefit the business or one's partners.

Advantages of Partners

Being a partner gives people more than ownership. Many people prefer to share the responsibility for the business. Some businesses by their nature require that more than one person be available and accountable. For example, doctors band together for the practical purpose of sharing on-call duties. In addition, being able to divide tasks along lines of interest or ability can make an enterprise not only more successful but also more enjoyable.

Partnerships offer people a chance to do things that they would not be able to do on their own, or to do them more successfully. Opportunities open up when people combine forces. Having partners puts more intellectual power at the top of the business. If you pit three co-owners against a solo entrepreneur, the three co-owners are going to out-think and out-strategize the

single owner in most cases, as long as they don't devolve into interpersonal conflict, or what some researchers call "affective conflict." Partnerships also allow people to exploit opportunities more quickly, and in business today, speed frequently means the difference between success and failure.

From a psychological perspective, having a partner means having someone to share the emotional burdens of ownership. A partner can provide feelings of safety and reduced risk, a sense that "we're in this together." One of the biggest complaints of solo entrepreneurs is that no one understands the tremendous demands made upon them. Even spouses who try to be as empathetic as possible cannot truly understand all the complexities of starting and running a business if they're not part of it. For some people, the fears that have kept them from starting a business become manageable with a partner.

Advantages of Having Partners

- Your partner shares the burdens and responsibilities.
- Someone else can do jobs that don't play to your strengths or interests.
- Partnership opens up opportunities that otherwise would be beyond your grasp, including greater success.
- You can move faster to take advantage of opportunities.
- You can enjoy camaraderie with an equal instead of feeling alone at the top.
- There's the potential for synergy and better decision making at the very top of the company.

For other people, having partners is simply more fun than owning alone. If the only option were solo ownership, they wouldn't do it; the cost, in stress and worry, wouldn't be worth it. Being on equal footing with someone else in the business, someone you can't dominate and who can't dominate you, makes for a more stimulating relationship than you can have with any employee.

Creating Synergy

The most exciting advantage of partnership is the potential it creates for synergy. By pooling their strengths, partners not only ensure the viability of their business, they also expand its possibilities. The classic example is a tech business with an outside person in sales (the extrovert) and an inside person designing software (the introvert). The crucial questions in such situations are always: Will our

differences make us stronger or tear us apart? Will we get synergy or just trouble? As a rule, the greater the differences, the greater the potential advantages, but also the greater the risk of conflict. Ideally, partners learn about their different styles and values and hash out what the differences might mean on a day-to-day basis, how they could use the difference to their advantage, and what they would do if that difference got in their way.

Synergy can be created in many ways among partners. The potential is there whenever partners are willing to explore their differences as well as their similarities and in so doing, leverage their differences to their mutual advantage. When this works, partners wind up with more than they could have had on their own. The problem is, it doesn't always work.

The Perils of Partnership

With so much riding on the success of a partnership—the partners' day-to-day happiness, security (often their

mortgages), reputations, comfort in retirement, not to mention peace of mind—it's easy to see why partnerships are considered perilous. In a poll taken a few years ago, Inc. asked businesspeople if they thought partnerships were a bad idea. Two-thirds of the respondents said they were. When asked why, the majority said they disliked co-ownership because of the partners' "inevitable conflicts" and "unmet expectations." A poll by researchers at the University of Minnesota uncovered similar misgivings inside family businesses. About half of the second-generation family members working at such companies had doubts about being there. The main source of their unease was, again, interpersonal conflicts. Failed business partnerships—and their attendant broken promises, financial ruin, and litigation nightmares—litter the business world and leave a deep impression.

Countless conversations with professional business advisors have convinced me that most of them are similarly against the idea of having partners. The reasons they offer are always the same: It's too difficult for partners to get along, partnerships are too hard to get out of, and when a partnership fails, the cost is enormous. (In private, some advisors jokingly admit that their own unhappy partner experiences have something to do with their skepticism.)

Of course, no one ever enters a partnership expecting serious conflicts. Advisors rightly point out that even when the probability of conflict is low, the risk may still be unacceptable if, as it often is, the cost of a failed partnership will be high.

The Costs of Failure

People often jump blithely into partnerships because they are unaware of the costs of failure—and no wonder, since nobody contemplates failure when starting up. It may be difficult to assign hard numbers to these costs. Still, they can be enormous, and prospective partners should look at them carefully.

Every conflict among partners exacts an emotional toll. These conflicts can destroy lifelong relationships. They can consume partners' every working moment, and sometimes every waking moment, for extended periods of time. They exact a toll not just on the partners themselves. I've heard partners refer to the stress on their spouses as "collateral damage"; some say it was that kind of strain that forced them out of their partnership.

PARTNER COACHING

with



Mobius and BMC Associates jointly offer Partner Coaching services to people who are business partners – both family and non-family partners. The business partner relationship is most commonly compared to spouses and is certainly one of the most challenging relationships any person can have. Partner Coaches have a special expertise in working with both the particular dynamics of partners (e.g., personalities, expectations, fairness, trust) and the substantive issues partners routinely face (e.g., finances, roles, ownership, decision-making).

The goals of Partner Coaching include building collaboration and strengthening partner relationships, helping partners navigate differences, and developing and executing long-term partnership plans.

A lion, a jackal, a leopard, and a gazelle kill an antelope and prepare to devour their kill. The lion roars, “We must divide our antelope into four parts. The first part goes to me because I am king of the beasts. Due to my strength, I deserve the second part. The third part goes to me because of my courage. Regarding the last quarter, any one of you who cares to dispute it with me can do so at his own risk.”

Variation of an Aesop Fable

Conflicts need not be profound or dramatic. Low-intensity wars can be costly, too, because they often make partners underperform. Nagging dissatisfaction, perhaps a feeling that the partnership’s terms are not fair, can result in a partner’s dragging his or her feet. Underperformance can become chronic, so that for months or years the partners achieve less than they would have on their own. Not only is synergy absent, sometimes there isn’t even basic cooperation.

Even if partner underperformance is slight, the long-term cost to the underperforming partner, the other partners, and the business can be enormous. Even low-level conflict consumes inordinate amounts of partners’ time and energy. It never ceases to amaze me how totally their time is eaten up by such conflict. Productive income-generating work by the partners can grind to a halt. When measured by partners’ salaries and benefits, the total cost to the business of this lost time is staggering.

The Cost of Conflict Among Partners

- The personal emotional toll on the partners, their spouses, and others close to them
- The toll on the relationships among the partners
- The loss from having a partner underperform, sometimes for extended periods of time
- The time lost by partners who must spend hours and days away from management and income-generating activities
- Job dissatisfaction, high absenteeism, and lost productivity among employees who get swept up in owners’ battles

- Costs associated with the departure of employees (often the best ones) who want to escape the conflict
- Mediation, arbitration, or litigation costs
- The expense of buying out a partner’s interest
- Lost revenue from the loss of the partner
- Recruiting expenses and time to find a new partner or employee
- Lost productivity for owners and executives who must integrate a new partner or employee into the company
- Litigation after a breakup related to broken non-compete clauses

Few things are more frightening to employees than owners’ internecine battles. Even when employees are not directly involved in partner conflicts, they get caught up in them. It is common to hear about employees taking sides. A key employee in one company complained that the divisiveness was so bad that the employees should have worn jerseys for one or the other partner! As on-the-job stress increases, so does absenteeism. Productivity and job satisfaction can plummet—and the preoccupied partners may never notice.

What will make partners take notice is when they hear that employees are looking for jobs elsewhere. Even if partners are oblivious to dropping productivity, they’ll take notice when their valued employees begin jumping ship. Some authoritative estimates put the cost of replacing employees at about one year’s salary, which includes downtime, opportunity costs, finding or recruiting new employees, training them, and getting them up to speed. For employees in critical jobs, the estimates

are between one and two years' salary. Estimates for associates—not partners—in law firms, for example, are typically around \$350,000.

When partners become aware of the bottom-line costs of conflict, they may try to negotiate a resolution among themselves. If that effort fails, it is not uncommon for desperate partners to recruit their own accountant or lawyer to be a mediator. This rarely works. As soon as negotiations bog down, one of the partners will cease seeing the advisor as neutral, if, in fact, he or she ever did. At that point, the advisor becomes history, both as mediator and possibly as trusted advisor.

Partners mired in stalled negotiations may hire attorneys. Frequently, one partner will surreptitiously turn to an attorney for help. Inevitably, other partners find out, or suspect as much, and hire their own counsel since no one wants to feel unprotected. Before anyone realizes it, they have all slipped into combat postures. No one feels safe speaking openly to anyone else. In fact, attorneys will advise their clients against speaking candidly to their partners. Whether that is self-serving or just zealous defense of one's client is immaterial. The possibility of partners' resolving their situation slips from their grasp as soon as they hire advocates and surrender responsibility for dealing with their problems themselves.

The cost of litigating partner disputes can be enormous. A recent legal contest between two partners in a financial services business was estimated by one of them to have cost between \$1 and \$2 million. A battle among the co-owners of the Haft family businesses cost around \$40 million in legal fees before a settlement was reached. Co-owners of any small company who litigate a garden-variety partner dispute can rack up fees approaching \$100,000 with little effort.

Arbitration, like litigation, is an adversarial process, even though it occurs outside the court system and is private rather than public. Usually, a retired judge presides, and all the parties have their own attorneys. The lawyers submit motions, conduct depositions and discovery, present their evidence and witnesses, do their best to refute the evidence and the witnesses of the opposing counsel, and make closing arguments. The process looks shockingly similar to courtroom litigation. It does not last as long from start to finish as litigation does, primarily because the process is compressed. Many lawyers

who are forced to arbitrate cases hate it because it's so intense: All of the same ritualized war games go on, but at a faster pace. It is no wonder that a Harvard Business Review article recently concluded that arbitration in business situations has become "the nightmare that it was meant to replace."

In arbitration, as in litigation, partners are asking someone else to listen to the evidence, weigh it according to existing case law and statutes, determine who is right and who is wrong, and render a decision. The point is still to win. To achieve that goal, one partner must prove that the other deserves to lose. Relationships seldom survive the inevitable hardball tactics.

Not surprisingly, at least one partner will have to be bought out as part of the resolution of knock-down-drag-out cases of arbitration and litigation. Relationships cannot survive such a beating. When partners must buy someone out of the business to resolve a conflict, there are frequently additional costs beyond the price of the ousted partner's interest. In rare cases, partners have buy-sell agreements in place that assign a value that no one contests. More commonly, however, someone disputes the price of the buyout, necessitating a costly valuation. Valuations often fail to settle the matter, though, because valuations are also frequently contested.

My own family discovered how painful this kind of scenario can be when our family's business experienced a protracted and costly buyout dispute. Because of different values, styles, and management philosophies, one of the five families in our third-generation company decided to leave, more or less voluntarily. They invoked the buy-sell agreement, which had been drawn up years before and stipulated the method for determining the price of the buyout. Even though the valuation method was spelled out in black and white, more than seven years of active litigation ensued as people fought over the precise meaning of certain critical clauses. The cost in legal fees was enormous but the emotional toll on my family was worse.

The pain of failed partnerships plays out everywhere. The stories are unique but sadly familiar. In Boston, the public watched the partners in Legal Seafoods as they slogged their way through their battles. New Yorkers watched this type of partner conflict play out for decades as four brothers in the Dell'Orto family attacked and counterattacked one another over the vestiges of

their family's culinary legend, Manganaro Foods. Family relations were never the same after the brothers divided the business among them because of differences in personal and management styles. The legalistic, Solomon-esque division of the 110-year-old business did nothing for the siblings' relationships, however.

As so often happens, legalistic resolutions begat interminable legal encounters that kept the feud alive. The brothers went head to head selling Italian delights next door to one another, while dueling head to head in the courts over the use of the Manganaro and "Hero-Boy" names. Outside the courtroom, they didn't speak to one another. One of the sons in the next generation, Anthony Dell'Orto, described how their fight poisoned their family relationships when he said he couldn't recall ever speaking to his uncle Salvatore's daughters, though they grew up side by side. "In pictures of my christening, some of my cousins are there and I don't even know who they are."

Partners Have Been An Invisible Group

Considering the many advantages a successful partnership bestows and the horrendous costs a failed partnership can exact, you might assume there is a large body of research on what makes partners tick and what makes them stumble. Surprisingly, there isn't much written on the subject, even though business partners' success is tremendously important, not just to the individuals and companies involved but to the whole economy.

Business schools could teach students how to minimize the risk of partner disputes, but they do not. They are schools of business administration. They teach students how to run large companies. Although they have started doing a better job of teaching students how to be entrepreneurial, they teach next to nothing about how to be a partner. Even though they have taught students how companies can make "partners" out of employees, customers, and vendors, this "partner revolution" has to do, again, with administering a business, in this case through managing relationships to encourage loyalty to the company. Theoretically, if you are a Starbucks "partner" you will give more to the company than if management simply calls you an employee, but this has little to do with actual partnership.

Because most business schools' graduates who start their own businesses will have real partners some day,

BUSINESS MEDIATION

with



Mobius and BMC Associates work in partnership to mediate the important business relationships among co-owners, board members and executive teams. Clients include public and private family and non-family for-profit companies as well as nonprofit organizations and foundations. The issues in these relationships are typically a mix of business, financial, legal and interpersonal issues, and because of this inherent complexity, Mobius-BMC uses two-person co-mediator teams comprised of neutrals from psychology, finance, law and business. The exact mix of expertise is based on the needs of the client situation.

The goals of mediation are to (1) create written agreements that (2) resolve the current issues as quickly and effectively as possible, (3) prevent any reoccurrence, and (4) leave the relationships among the parties stronger and healthier (if the parties wish to continue working together).

Mediation, which is simply assisted negotiation, is a powerful tool for getting partners, board members or executives back on track so they can get back to business. Perhaps the greatest advantage of mediation over other methods of resolving business disputes is that it keeps the decision-making in the hands of the people themselves. Mediators control the process and the parties control the outcome. Resolutions arise through collaboration and consensus. The other advantages include the speed of arriving at a resolution, privacy, the lower cost, a focus on the future, and the flexibility to deal with all aspects of the conflict, whether "hard" financial issues or "soft" emotional and interpersonal issues.

the schools' neglect of partnerships is hard to fathom. But business schools are not the only schools with this gap in their curriculum. Medical schools and law schools train their students without regard for the fact that the vast majority of their graduates will have to struggle sooner or later with partners.

Why has no one bothered to plug this obvious gap? I think the reason is that partners have been something of an invisible group to researchers and consultants working in companies. While researchers are encouraged to investigate, analyze, and correct the bottlenecks, problems, and conflicts at all other levels, relationships between owners have been largely off limits. Likewise, consultants are rarely privy to the intimate details and internecine warfare among partners themselves.

Researchers and consultants do get to peek at the highest echelons (i.e., major stockholders, officers, and board members) of publicly held companies because laws mandate a certain level of transparency and public scrutiny. Not so with privately held companies. Co-owners of private, closely held companies do not have to file documents with the Securities and Exchange Commission about who owns how much of the company and how much each person makes. Few partners are willing to divulge this information for research purposes. Thus, they are free to remain a largely invisible group.

Mediation creates an interesting exception to the rule. Mediators, brought in expressly to help co-owners resolve conflicts in nonadversarial ways, have a unique window on the inner workings of partnerships. In mediation, nothing is off limits and partners typically open their souls and pour out their stories. They actually have to be open and candid about their partnerships for mediation to work and that openness is the reason it is so frequently successful.

Warnings From Past Partners

In mediation after mediation, partners have told me about the hopes and aspirations they started with and the problems and impasses they encountered as they went forward. I learned directly from them what makes partnerships tick—or not. Seven caveats for would-be and existing partners emerged from these discussions:

- If you think you are not partner material (e.g., not a team player), don't even try.
- Exercise extreme caution when selecting a partner.
- If you do not really need a partner, don't go there.
- If it doesn't feel good before you start, don't do it.
- Don't think that legal documents will keep you out of trouble with one another.
- If you are a co-owner and it doesn't feel good working together, work to fix it.
- If you can see ambiguities in your relationships with your existing partners, address them while you're still getting along.

Some people will never make good partners because they simply could not be team players. Ginger Spencer, a Florida real estate agent, is crystal clear about herself in this regard: "I could never have partners because I have to do things my way. Furthermore, I never want to be accountable to anyone." Knowing and accepting your limitations is a real strength.

Four Critical Questions Before Jumping In

Because getting into a partnership is far, far easier than getting out, you must ask the critical questions—and answer them honestly—before signing on the dotted line. Addressing them takes people a long way toward making partnerships safe and successful. The first and second questions are so simple that they are often overlooked. They are, however, important to ask and answer honestly. Keep in mind that the initial answers sometimes do not hold up under closer scrutiny.

Why Do You Want to Own a Business?

I discussed some of the possible motivations for owning a business earlier in this chapter. When people are answering this question, they tend to say what sounds good, but a superficial or socially correct answer gets you nowhere. This question is really about goals and objectives. It's about purpose. It's about expectations for the business. Is your reason for wanting to own a business to build an empire? Bake the best croissants in town? Achieve security? Become famous? Travel? Make a million? Not have a boss? You have to know your own and your partners' reasons for wanting to own a business. Then you have to make sure everyone's motives are compatible.



Why Do You Want to Have a Partner?

For some people, having partners is a necessary evil. The thought of having partners nearly stops them in their tracks. Nonetheless, some of them slip into partnerships.

Others would start a business just to have peers to interact with on a daily basis. For these people, the business provides a special type of interpersonal contact that they crave. If they had to do it alone, they wouldn't bother.

Between these two extremes are those who want partners for the advantages that accrue from combining forces with others. Understanding exactly why you want partners is critical to preventing disappointment or a costly mistake.

Are There Better Alternatives Than Taking on a Partner?

Despite the advantages of having partners, they complicate life. The more partners one has, the more complicated and risky things become, so it is wise to ask oneself if there are better alternatives available. Peter might have hired a consultant to walk him through his own strategy, for example. He might also have secured his own financing and searched for an employee with marketing experience.

It may seem ironic that a book on partners would stress the importance of alternatives to having partners, but the inherent risks of having partners are such

that people need to carefully consider the alternatives before jumping in.

Is the Person You Are Choosing the Best Partner for You?

Many people might make very good business partners, but many of them would not be good business partners for you. The issue is not whether a prospective partner is the ideal person, but whether that prospective partner is someone with whom you have a reasonably good chance of success. Choosing a partner is one of the most important decisions a person will ever make. This is as true in business as it is in marriage. Many people will spend much more time with their partners than with their spouses. For better or worse, partners tie their fortunes and their futures to one another. One's choice of partners will affect one's life in profound ways. The quality of the partner relationship will have a huge effect on how one feels about going to work in the morning and how comfortably one sleeps at night. The choice of a partner is the single most important decision most people will ever make about their businesses.

The essential elements of a successful partnership are:

- a good fit between the partners' personalities,
- similar values,
- the ability to be a team player,
- compatible goals and clear expectations, and
- mutual trust and respect.

PARTNERSHIP CHARTERS FOR CLOSELY HELD BUSINESSES

with



Mobius and BMC Associates jointly offer Partnership Charter (PC) services for closely held businesses (both family and non-family co-owners). Our PC offering is based on two observations: One, research has proven that entrepreneurs with partners are more successful than solo entrepreneurs, and two, partnerships fail with striking regularity. The biggest reason they fail is poorly planned partnerships. The PC process makes up for the fact that, despite how challenging it is to have partners, entrepreneurs receive no training in how to be partners, and legal documents alone do not really prepare partners for how to be strong partners.

The PC is a structured set of exercises and negotiations that cover the nine critical business, financial and interpersonal issues that can destroy otherwise healthy partnerships. The core PC offering is a three-day Partner Retreat for new or existing partners that leads to agreements and a written PC document detailing how the partners will operate collaboratively over the lifetime of their partnership, including how the partnership will eventually end or transform. The PC becomes the basis for customized legal documents.

When prospective partners have assessed these critical relationship elements, they have a tremendous head start. Personality studies have demonstrated that while physical appearance governs our first impressions of people, it is people's personal styles that make living or working together day after day, year after year, either a blessing or a curse.

Values, the underpinnings of all major decisions, usually function just beyond our awareness. Even though values are difficult to assess, they are critical to the long-term survival of all partnerships. Sooner or later, an issue will arise whose resolution will depend on the partners' values.

Many people believe that starting a business with a friend is a safe bet because friends tend to share similar values. Sometimes they do. A friendship can be a distinct advantage. A deep friendship can keep a partner from jumping to negative conclusions when another partner says or does something that sounds derogatory and hurtful. It may be a wellspring of trust, a key ingredient of successful partnerships. True friendship can help one partner to be understanding when another has family problems that wind up shortchanging the business for an extended period of time. A strong bond of friendship may be a sign of shared values and can be the glue that holds partners together when the business is under stress.

Unfortunately, partnerships between friends don't al-

ways work. I interviewed an emergency medicine specialist who thought a friend would be a safe bet for a professional partner. "I chose a person who was a good friend, thinking that because of our years of friendship, we shared similar values. I couldn't have been more wrong!" He explained what happened. "Because he was a good friend, we didn't write anything down. We didn't think we needed to. Then, the first time we had to deal with a sticky issue, it all fell apart. We couldn't have seen the situation more differently." The friendship died. The practice died. And so did this doctor's interest in ever having another partner.

Friends or not, prospective partners need to explore the lay of the land when determining whether they should join forces. Prospective partners can reveal their motives in a way that benefits everyone. In the late 1990s, Tracy Bloom Schwartz was poised to buy her mother out of Creative Parties, Ltd., one of the most successful event-planning businesses in the Washington area. She wanted Sue Busbey to be her partner. Sue was their key employee and had proven herself for years as the one responsible for the administrative side of the company. Even though Tracy and Sue were already headed down that path to partnership, they decided that it would be smart to thoroughly explore becoming partners by developing a Partnership Charter.

In the course of two half-day sessions, Tracy and Sue delved into a broad spectrum of issues, including what be-

MOBIUS-BMC SENIOR TEAM



David Gage, Ph.D.
BMC Co-Founder, Psychologist
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Donna Hart Gage, Ph.D., R.N.
Mediator and Healthcare
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Edward J. Kopf, Ph.D.
BMC Co-Founder,
Mediator and
Business Consultant



Stewart H. Christ, MBA
Mediator and
Business Advisor

coming partners would mean to each of them, how their roles would change, and their expectations of each other. The discussions gave Sue the opportunity to see that she did not wish to take on the mantle of ownership. She felt being a partner was not right for that time in her life. After saying that she really wanted to remain a key employee, Sue expressed her concern that Tracy might take her bowing out as a rejection, which could create resentment. But Tracy assured her that she understood and valued her candor and that continuing in her employee capacity was perfectly okay. Both felt relief at the road not taken.

If You Already Have Partners

The moment people sign their papers and commit themselves to co-ownership, the question of selecting the right partners is passé. It's done. For many people the process was too hasty and not well thought out, but once the papers are signed, there's no going back. The challenge of staying healthy and conflict-free has just begun. Three issues are now of paramount importance.

Are You Paying Attention to the Relationships Among the Partners?

Even though most co-owners take great pains to ensure the success of their business, few do much to ensure the success of their partnership. Partners must realize that

their relationships are of paramount importance to the success of the business and serve as a model for relationships throughout the business. The need to dedicate time and energy to the partnership as well as the business never really goes away. Because every partnership is a dynamic, ever-changing, living system, co-owners who ignore it for long periods do so at their peril. People who have been partners for years need to continue investing in their relationships as a way of ensuring their continued success. Relationships taken for granted are relationships at risk.

Have You Worked Out the Details?

Over the years, I have asked countless people who were co-owners of successful companies and professional practices if their arrangements with their co-owners were clearly laid out. They've typically replied, "Yes." I then ask them if they mean that they've worked through and resolved all the questions that they think might arise about money, ownership, roles, and how their partnership may change over time. Invariably they pause and hedge their initial "Yes."

I have been shocked by the ambiguity that some partners tolerate in their deal. For example, some have not clearly resolved such issues as:

- what they will do with profits,
- how they would handle a serious financial downturn,

- under what circumstances they will take on another co-owner,
- how they will determine if each of them is performing satisfactorily, and
- what they will do if one of them loses interest in the work but is still entitled to receive a salary.

Why have so many partners ignored such potentially contentious issues? Partners who are in start-up mode describe the intense pressure they feel to secure office space, hire employees, find customers, develop products, and bring in enough revenue to stay afloat. That's all true. It is also true, however, that many people are uncomfortable discussing and negotiating the topics that partners should examine at start-up. Many people are more comfortable negotiating with clients than they are with their own partners.

Some of the issues that partners must negotiate are unavoidably sensitive. For example, can partners hire spouses? What about that star son or daughter? If they see a troublesome question looming, they may blink and pray that it goes away. Or they say, "We'll deal with that if and when it becomes an issue."

Do You Know Where the Future Will Take You?

While many partner arrangements are ambiguous about present circumstances (for example, it is often unclear who is really in charge of what areas), almost all partner arrangements are ambiguous about the future. Future uncertainties are rarely part of partners' initial discussions but are fraught with danger to the partnership. For many existing partnerships, stepping out of the day-to-day fray and thinking hypothetically about what lies ahead may be an ideal way to address issues that were given short shrift the first time around. People toying with the idea of partnership, as well as those who already have partners, can benefit enormously from a structured process that introduces the complete range of challenges that may await them. As I have described, the perils of partnership are well worth avoiding. The time to discuss, negotiate and reach agreements is now.



DAVID GAGE, Ph.D.

David Gage, Ph.D. is a clinical psychologist, mediator, author and co-founder of BMC Associates. BMC is a multidisciplinary mediation and consulting firm and a strategic partner with Mobius. His focus for the past twenty years has been on preventing and resolving conflicts among business partners and co-owners of family businesses. He has been an adjunct faculty member for the past ten years at the Kogod School of Business at American University where he has taught the course, "Managing Private and Family Businesses" to MBA students.

David has spoken to dozens of business and professional organizations and written articles for numerous professional journals on subjects from mediating partner disputes to collaborative prenuptial agreements to family estate planning. David is the author of the book, *The Partnership Charter: How To Start Out Right with Your New Business Partnership (Or Fix the One You're In)*, which was selected as one of the "100 Best Business Books of All Time" and remains one of the only books that addresses both the business and interpersonal sides of having partners.

Waiting for a conflict to begin addressing the remaining ambiguities in a partnership is like waiting for a fire before contemplating fire extinguishers and exit routes. Chapter 2 describes the Partnership Charter, a structured process that leads to a written document that is the best insurance plan prospective partners can buy to ensure their success as partners. ■

FLOWER MANDALAS

BY FEATURED ARTIST, DAVID J. BOOKBINDER



Beach Rose I

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flowermandalas.org

THE FLOWER MANDALAS OF DAVID J. BOOKBINDER

I am a person with a big heart and a deep need to be connected, but I grew up insulated both from others and from myself. The arc of my life has been to reclaim what I now think of as my birthright. Connection and compassion have manifested themselves mainly in my work in photography – in particular, digitally manipulated images of flowers that I call Flower Mandalas – and as a psychotherapist, my current occupation.

My entry into the path that led both to psychotherapy and to the mandala work began with a near-fatal medical error in Albany, New York, in 1993, where I was a graduate student in a PhD program in English Literature. That event, which included a near-death experience, divided my life into two parts: who I was, and who I am becoming. To paraphrase the Grateful Dead's Jerry Garcia, it's been a long, strange trip.

Listening to what the flower mandalas were telling me led me out of a dark place and, indirectly, to my decision to become a psychotherapist. Early on, I met with a painter who suggested that each image was trying to tell me something. "Look at them. Listen to what they're saying." I hung prints around my house and made them the digital wallpaper of my computer.

Creating mandalas and then looking deeply at what I had done resulted in a feedback loop: (1) The original flower moved me enough to photograph it, (2) the mandala-making process distilled the initial feeling into one more precise and more deeply felt, (3) looking at the mandalas brought that enhanced feeling back into me. With each iteration, some previously inaccessible facet of my divided self became more revealed and I became more whole.

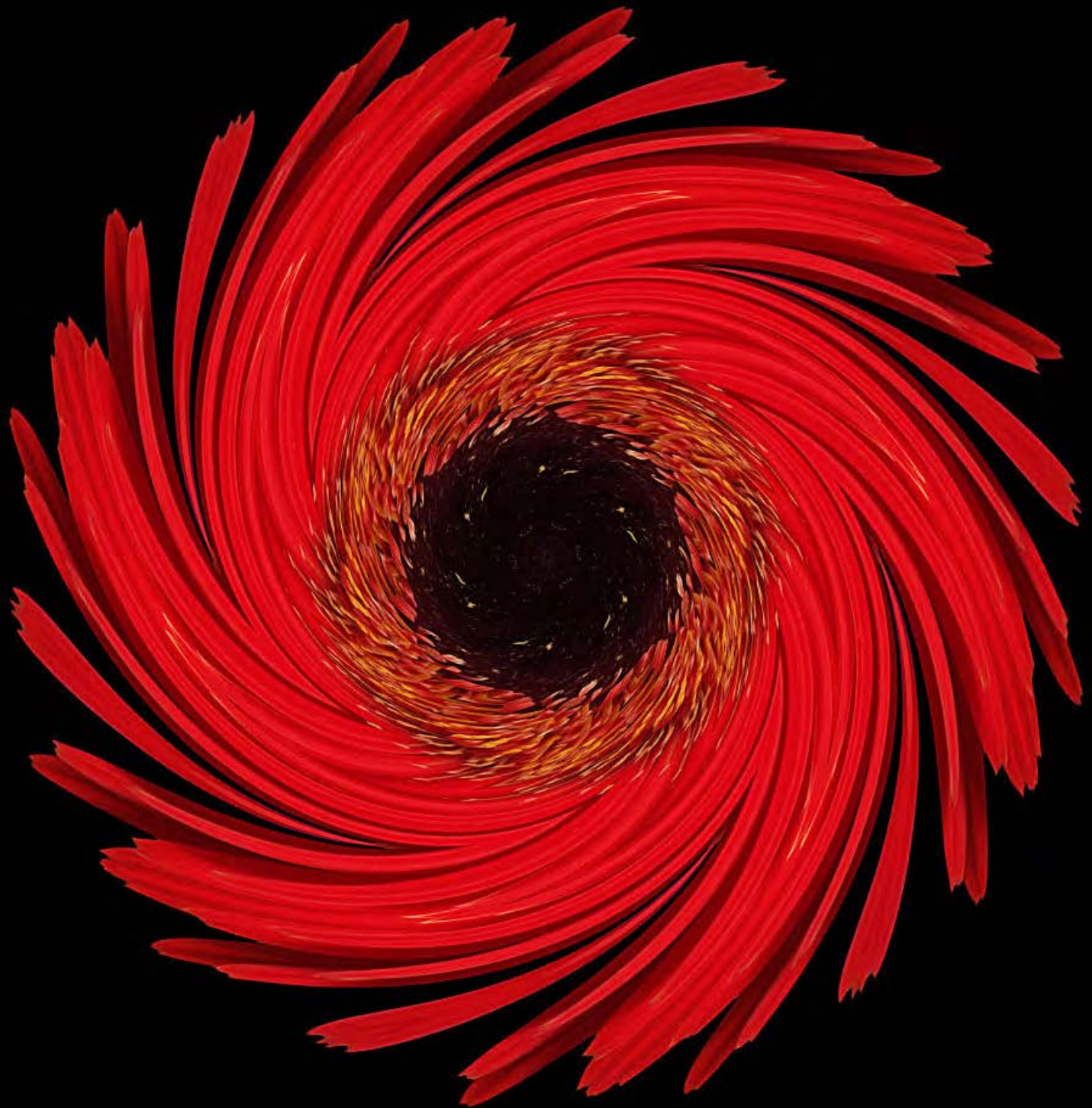
Two years after my brush with death, I was in a support group for people who had survived near-death. I was still finding my way back into this world, and although I knew I had returned with something of value, I was also profoundly disoriented. One of the group members, addressing my confusion, made a wide half-circle gesture with his arm and said, "David, I think you're one of those people who has to take the long way 'round." He paused, his arm fully outstretched. "But when you get there," he said, closing his hand into a fist and pulling it to his chest, "it'll be important."

What I do now as an artist and psychotherapist does seem important. Through these gifts, I hope to render a boon that, had I not taken that long, strange trip, I would never have been able to deliver.

David J. Bookbinder, LMHC
flowermandalas.org

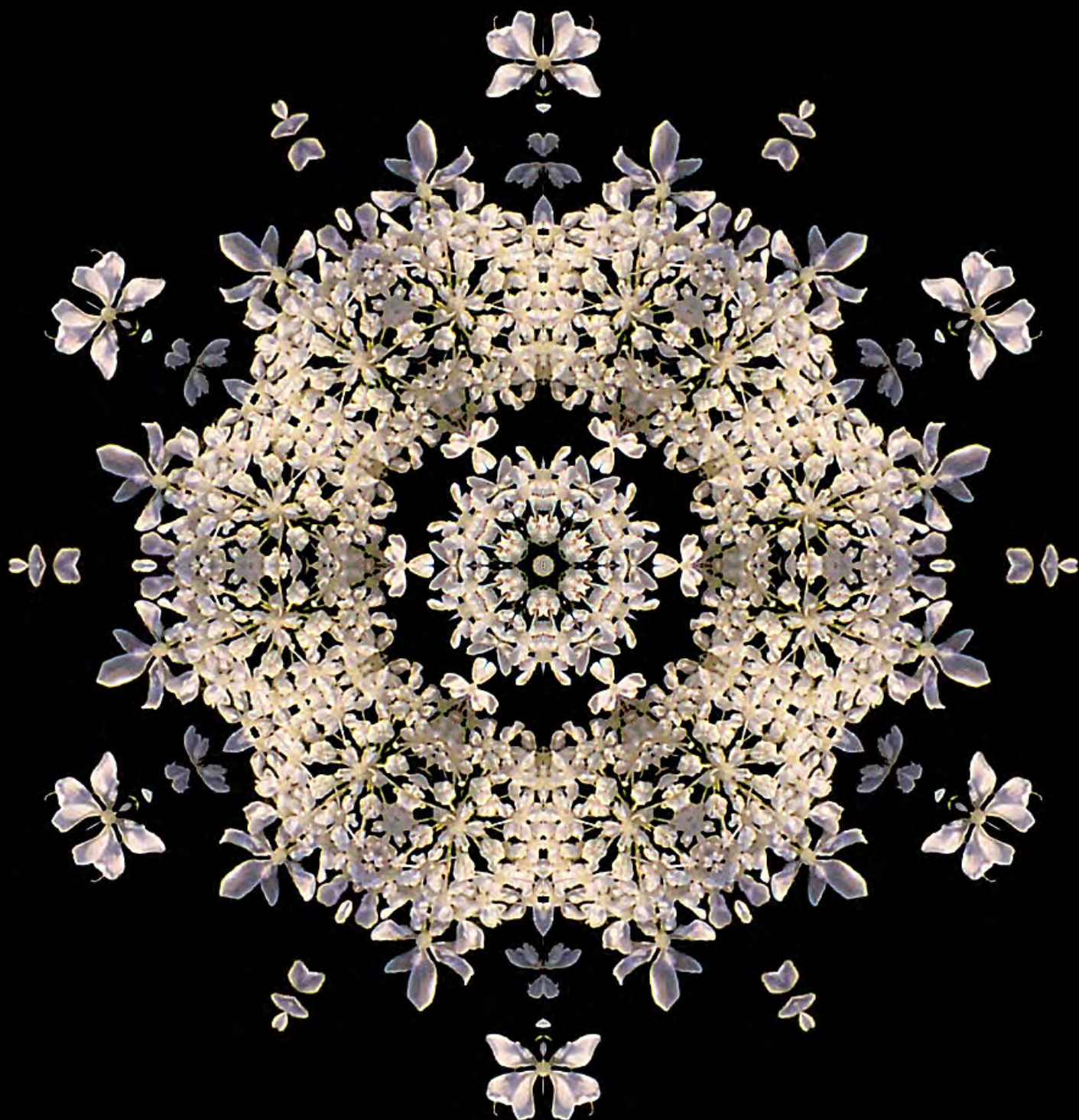


Deep Orange Marigold V
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Dying Amaryllis VII

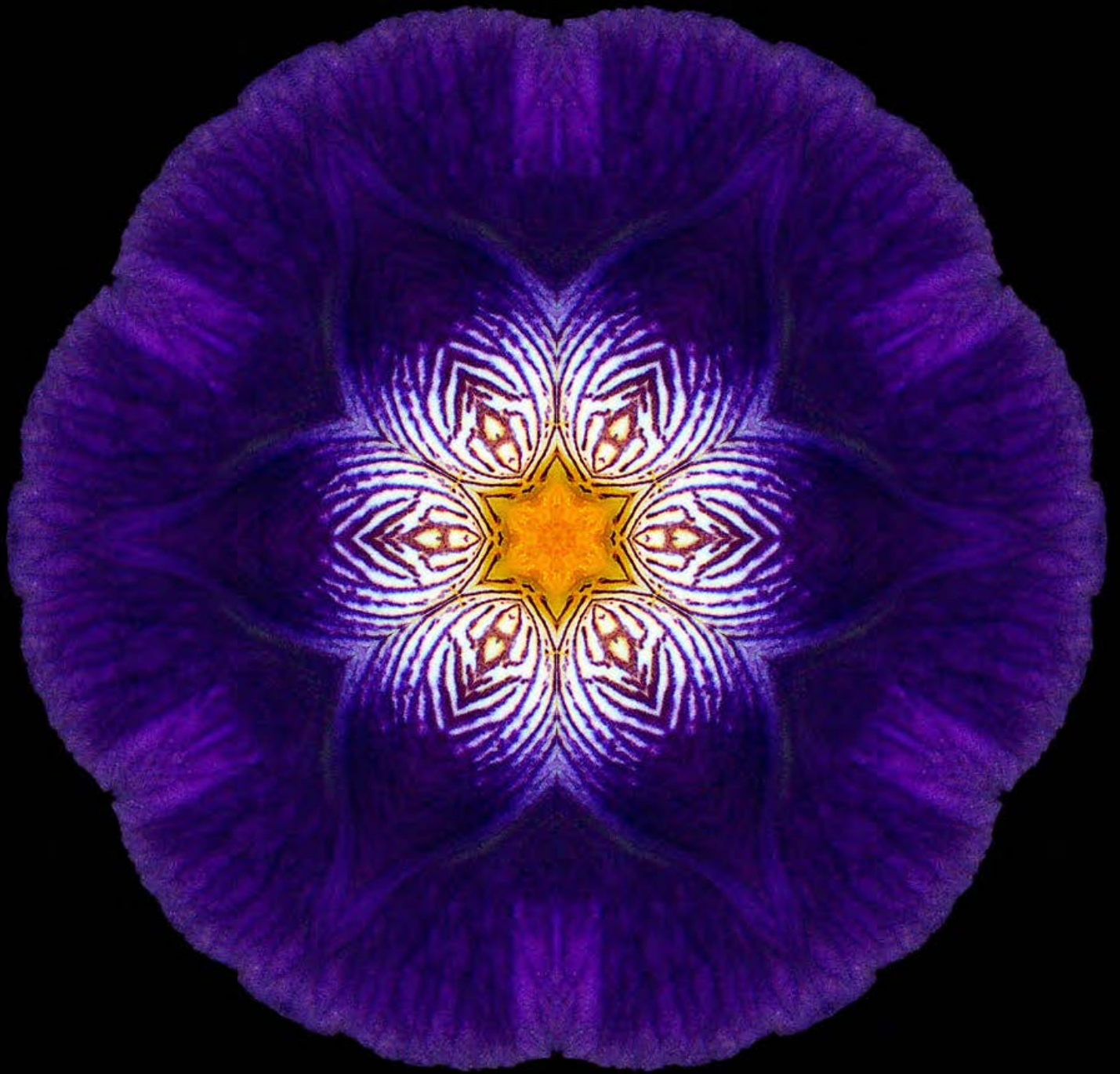
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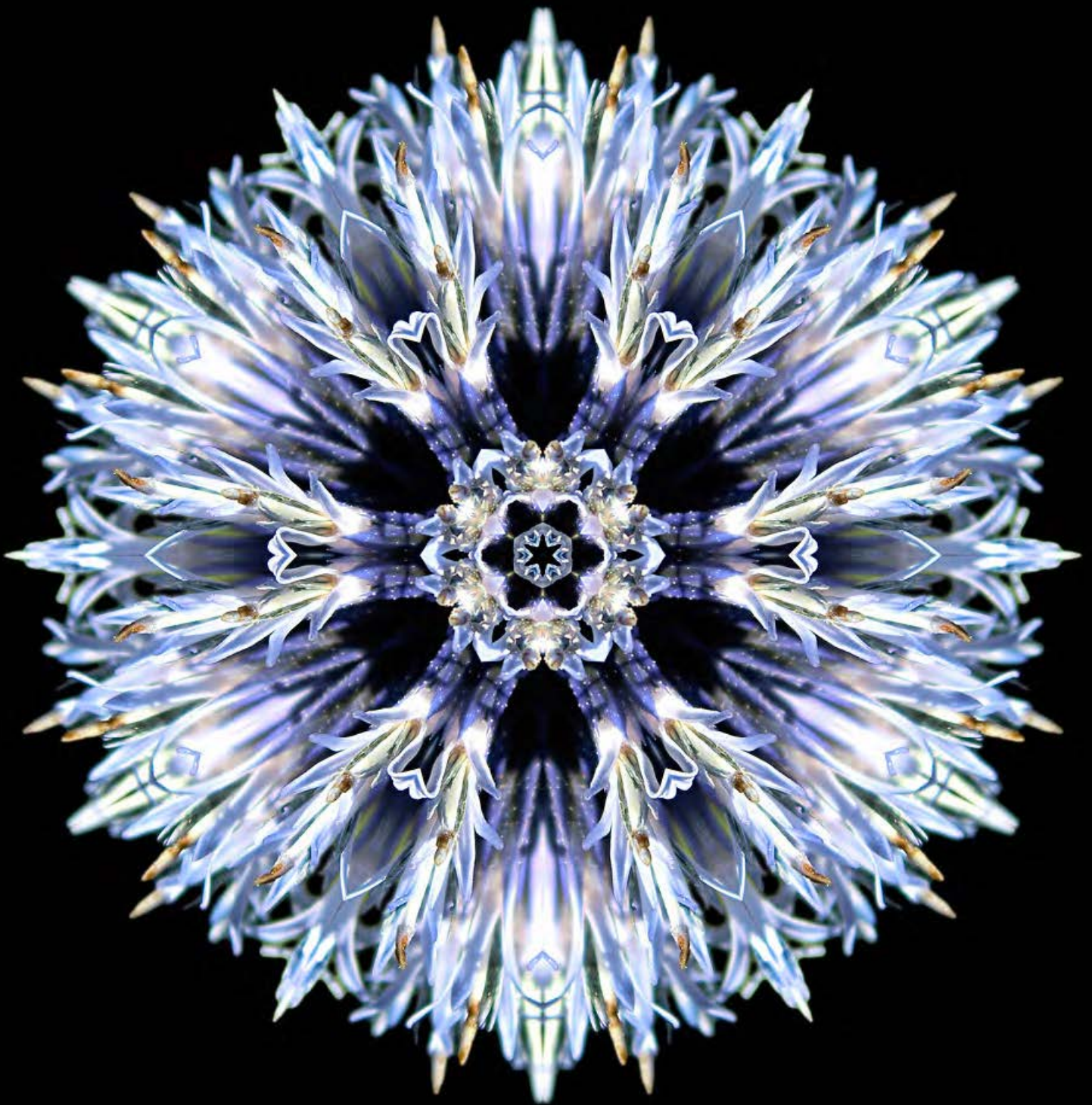
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Women in Leadership™

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November 11-14, 2013
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About the Institute

Erica will be speaking on *Understanding Self*

Erica Ariel Fox is the author of *Winning From Within: A Breakthrough Method for Leading, Living, and Lasting Change*.

A highly sought-after advisor, Ms. Fox works with senior leaders around the world with her partners at Mobius Executive Leadership. Mixing nearly two decades of experience with business leaders and a personal touch, she brings a unique voice to the conversation about leading wisely and living well. Her book has been translated into ten languages.

The *Women in Leadership Institute™* is a high impact, immersive learning experience designed to accelerate the development of high-potential women leaders through competency learning, peer connection, and focused on-going support. The event boasts more than 6,000 alumni and hundreds of world-renowned speakers.

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Linkage works with leaders and leadership teams worldwide to build organizations that produce superior results. For over 25 years, we have delivered on this promise by strategically aligning leadership, talent, and culture within organizations globally. We do this by providing strategic consulting on leadership development and talent management topics and through our learning institutes, skill-building workshops, tailored assessment services, and executive coaching.

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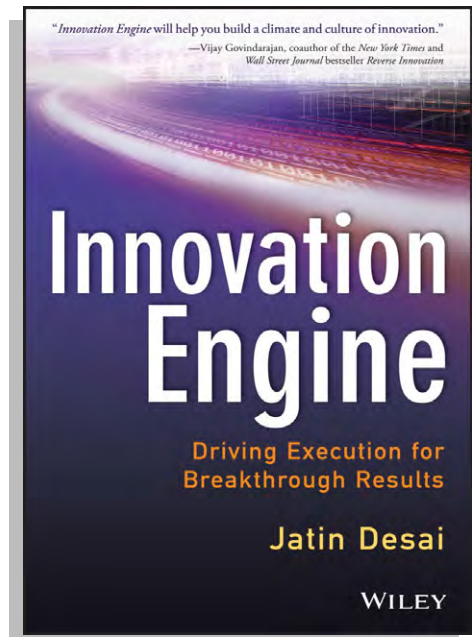
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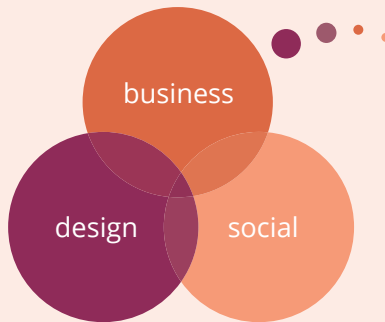
—Vijay Govindarajan, coauthor of the *New York Times* and *Wall Street Journal* bestseller *Reverse Innovation*

JATIN DESAI, has been active in leadership and operating roles since 1983 when he cofounded The DeSai Group. The DeSai Group provides innovation execution and management services to Fortune 1000 and Global 2000 companies in the United States, Europe, and India.

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FOUNDATIONS FOR LEADERSHIP:

Initiating and Sustaining Profound Change

December 11-13, 2013 -- Doubletree Hotel Bedford Glen, Bedford, MA

Facilitators Peter Senge and Beth Jandernoa

We have no idea of our ability to create the world anew. - Peter Senge

Dates: December 11-13, 2013

Location: Bedford, MA

Facilitators:

Peter Senge and Beth Jandernoa

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Registration

For more information, or to register for this workshop, please contact SoL's Program Coordinator at +1.617.300.9560 or programs@solonline.org

SoL courses are an ideal entryway into the SoL community, a premier network of skilled practitioners, consultants, and researchers who have made a commitment to lifelong learning, systems change, and a sustainable future.

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Reconnect with your own capacity for generative leadership in this three-day program based on the leadership development process described in *The Fifth Discipline* by Peter Senge, and updated to include an overview of the "U" process as a social technology for change, featured in *Presence* (by Senge, Scharmer, et al) and in *Theory U* by Otto Scharmer. Foundations for Leadership is an opportunity for immersion in these concepts, personal coaching and reflection, and enhancing your peer network.

The purpose of this session is to explore the sources of our leadership. Leadership is both deeply personal and inherently collective. At its essence it concerns the capacity of a human community to shape its destiny and, in particular, to bring forth new realities in line with people's deepest aspirations. Participants will come away with a renewed understanding of how they can facilitate change, both within their organizations and in their personal lives. This program goes deeply into the domains of personal mastery, collaborative inquiry, and the systems perspective applied to sustaining profound change. The session includes a few interactive lectures, many paired and small group exercises, a simulation game, large group dialogue and regular opportunities for personal reflection. It is appropriate both as a development experience for emerging leaders and a renewal opportunity for seasoned veterans. Small teams are welcome to attend to develop their collective leadership.

Participants spend significant time developing their personal vision as well as one they desire for their organization. Much of the learning arises through the interplay of personal and interpersonal work. The special contribution of this leadership course comes as people discover the profound connections between personal mastery and systems thinking, seeing that deep change in our social systems and in oneself are inseparable from each other.

Participants regularly report new insights on current conundrums, as well as leaving more energized than when they arrived, even after working intensely for three days. They speak of being better able to integrate their personal values into their everyday work life. Twenty-five years later, participants still can describe the value of this program in enhancing their effectiveness and well-being.

Facilitators

Peter M. Senge is a senior lecturer at the MIT Sloan School of Management, and the founding chair of SoL, the Society for Organizational Learning, a global network of learning communities addressing profound institutional change. A renowned pioneer in and writer about management innovation, Peter is the author of the widely acclaimed *The Fifth Discipline: The Art and Practice of the Learning Organization*, and most recently *The Necessary Revolution: How Individuals & Organizations are Working Together to Create a Sustainable World*.

Beth Jandernoa is an organizational learning consultant whose work includes leadership development, dialogue, large-scale participative change interventions, and development for women leaders. Beth established and directed a Corporate College for Executive Leadership for a \$3 billion company with 48,000 employees. She has over 20 years of experience with business, healthcare, education, government, and community non-profits. Her clients have included Hewlett-Packard, Intel, BP, Oregon Adult & Family Services, and the U. S. Federal Government Graduate School.



SOL NORTH AMERICA PROJECT INCUBATOR

September 27, 2013, 8:30-2:30pm,
Doubletree Hotel, Bedford, MA

SOL NORTH AMERICA PROJECT INCUBATOR

September 27, 2013, 8:30-2:30pm,
Doubletree Hotel, Bedford, MA

SoL is inviting current and prospective members of SoL to come together to collaboratively create a set of activities and ambitions that we'll all be motivated to pursue during 2013 and beyond. Become a part of the exciting future of SoL North America as an active and committed learning community. The Project Incubator will be facilitated by Michael Sales and Mark Alpert, both members of the SoL North America Council.

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Contact:
Michael Sales | msales@solonline.org



SUPERVISION GROUP FOR ALL EXECUTIVE COACHES

Purpose:

To develop your ability to competently and ethically offer executive coaching as an aspect of your service model. It is our aspiration at Mobius that even our most senior practitioners stay closely connected to colleagues and dedicate themselves to learning and reflecting on that which they are offering to others.

Outcomes of our collective engagement:

1. The ability to design a powerful, far reaching set of outcomes for a client.
2. The ability to structure your working relationship so that the exchange is high value for all parties.
3. Clearly define for yourself with whom you ought to be coaching and who is best to refer to a colleague.
4. Craft powerful interventions that will over time lead you directly to the outcomes articulated upfront.
5. Take a look at the many faces of resistance that surface in the course of any coaching engagement (fear, distraction, avoidance, justification, going victim, lingering in reflection to avoid action).
6. Working skillfully with the paradoxes of coaching: neutrality vs. taking a powerful stand; process vs. results; peeling the onion vs. fixing something; shifting behavior vs. shifting self; teaching vs. coaching
7. Self as instrument
8. The body in coaching
9. To begin to articulate a cosmology for coaching that is expanded and rich enough to contribute to the dramatic shift that we as human beings must make if we are to remain inhabitants on this planet.

Who should consider attending:

- Those for whom it is important to have both a process for coaching and content that is at the cutting edge of our industry and represents the best practice in the field.

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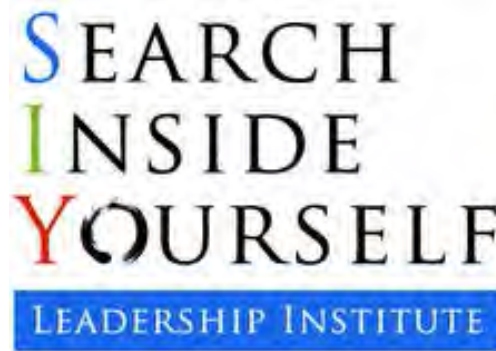
- Six month commitment beginning October 2013
- Monthly calls two hours in length using maestro technology for workshop like feel.
- Customized individual outcomes that are supported by facilitator through the six months to ensure participant success.
- Limited to four people for maximum benefit and personal outcomes fulfilled.

Fees: \$1008

Program Leader:

Jennifer Cohen, Mobius Transformational Faculty and Executive Coach, is a leadership and organizational coach and consultant with 20 years in the field coaching hundreds of individuals and groups. She co-founded Seven Stones Leadership Group, which engages individuals and organizations in the most pressing questions of our time. She teaches a unique model of leadership development and is pioneering work in moving organizations and individuals to a partnership model of living and leading based on the mind set and practice of exquisite sufficiency first offered by Buckminster Fuller and popularized by Lynne Twist. Jennifer's fresh approach is informed by communication theories ranging from quantum physics and philosophy to neuroscience and Somatics. She loves working with social entrepreneurs, visionary thinkers, and leaders who know they must develop the capacity to shift with this quickly changing landscape.

Contact: Jennifer.Cohen@Mobiusleadership.com



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Using the tools of mindfulness and emotional intelligence

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Training Leaders – This 2-day intensive will be led by a team of master SIY facilitators - Marc Lesser, Meg Levie, Philippe Goldin, and Rich Fernandez.

More than one thousand Google engineers and managers have been through SIY since it was first introduced in 2007. The course gets top ratings and has a long waiting list. Now, SIYLI is making it available outside of Google!

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2. leadership skills (generating buy-in and collaboration)
3. motivation and job satisfaction ("creating the conditions for happiness")

Register Now! www.siyli.org



SEVEN STONES
LEADERSHIP



“Under pressure we do not rise to our own expectations, we fall to the level of our training.” Bruce Lee

When: Friday, October 4, 2013
from 9:30 am to 5 pm

Where: The Warren Center
Ashland, Massachusetts

What: This is an active day with lots of moving, games, group and one-on-one work; it is inspiring and fun. There isn't a lot of lecture; we learn by engaging in the work directly. People leave the room energized and altered. It's easy for anyone in any physical condition.

The Facilitator: Jennifer Cohen, MA, MCSC is a founding partner of Seven Stones Leadership and is a Master Somatic Coach and Trainer. [Learn more about Jen.](#)

Price: The tuition will follow the Seven Stones pricing model where you will choose to pay either: \$500 for investment in, \$379 for valuing of, or \$249 for honoring this work. Clients with Leader's Packages come free. Visit our [site](#) to claim your seat.

To Register or Learn More:
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info@sevenstonesleadership.com

Communicating from Center

A Day of Practice for Leadership Excellence

How do people experience you as a leader, colleague or manager?

What impact does your physical presence have on your performance at work and in your personal life?

Do you know that how you how sit, stand and move can shape the behavior of your team?

Join us in our Practice Day, a leadership experience, where we discover the moves we automatically make under pressure. This day will focus on improving communication and leadership skills by developing greater self-awareness of our inner experience and its connection to our communication style, both verbal and nonverbal. We will engage in the following inquiries:

- What is our personal communication style?
- How is our communication shaped by our thoughts and conditioning?
- How does our body communicate nonverbally? (posture, pace, leaning forward, leaning back, stance, etc.)
- How can we expand our range of communication approaches so that we are more effective in our work and in our relationships?
- What is our personal communication style when we are stressed, and how can we adjust it so that we can stay effective?
- What are other people's communication styles, and how can we understand them best?

What you will leave this day with:

- The ability to communicate with clarity, confidence and impact from center.
- The skill to handle negotiation, coordination and communication with ease and effectiveness.
- A choice for handling ourselves when we are under stress.
- An access to our body's inner knowledge of what is right for us, and to communicate that effectively.
- The ability to truly listen to other people so they feel heard.
- An understanding that our body is a resource to us that integrates our thoughts, emotions and actions.

“In one day I felt present, energized, relaxed, seen and held by others, centered, related and fulfilled. I can't recommend this workshop enough.” ~Participant from May 2013



Mediators Beyond Borders™

Partnering for Peace & Reconciliation



ISTANBUL, located on two continents, capital of 3 great empires, calling to visitors for 2,000 years.



[save on registration](#)

Act now

[Join MBB](#)

Official Partners



More partners will be announced soon!

JOIN US in ISTANBUL!

Mediators Beyond Borders' Congress, September 26-28

Mediators and peace-builders from around the world will share peace building experiences, skills and strategies to build "Peace-Able" communities. Because you share our peace-building mission, we invite you to join us.

Turkey, a leader in advancing mediation in the UN and in world diplomacy, offers breathtaking natural beauties, unique historical sites and a modern vibrant economy. MBB comes to Turkey as mediation's **bridge to the future**.

MBB calls on you to join us for this vital meeting.

Invited speakers include leading world diplomats, leading women in peace-building, and front-line peace activists.

The Congress plans also include a one-day Training Institute on gender related conflict in the emerging world, tours of Istanbul sights and sounds, and a cross cultural experience "Walking Abraham's Path" in South Turkey. [CLICK HERE FOR MORE INFORMATION ABOUT TOURS!](#)

WHO is MBB? A network of mediators and allied professionals that collaborates with local peace-building partner organizations in nine countries (such as Liberia, Ecuador, and Nepal) to build conflict resolution capacity.

MBB also advocates for the use of mediation to resolve public policy disputes such as our climate change initiative. MBB is a "Official Observer Organization" for United Nations Framework Convention on Climate Change (UNFCCC) For info about all MBB activities, visit www.mediatorsbeyondborders.org

REGISTER NOW MBB Congress, Sept 26-28 2013 the [Legacy Ottoman Hotel](#) in Istanbul, Turkey!

CLICKHERE FOR **REGISTRATION, HOTEL, FLIGHT, TOURS, and INSURANCE** information

Inspiring international speakers, educational workshops on peace-building skills, networking, and exciting sightseeing.

CHANGE YOUR LIFE - CHANGE THE WORLD - COME TO ISTANBUL

Have questions? Please email
Ope Peters opembb2013@gmail.com

Please forward this flyer to anyone you think may be interested in attending this Congress!



HOW WOULD YOUR LIFE CHANGE IF YOU ACTUALLY BELIEVED IN YOUR DREAMS? FIND OUT BY ATTENDING A DREAM UNIVERSITY PROGRAM!

"Marcia is one of the most powerful transformational teachers I have worked with. Her teaching is highly experiential, profound and at the same time joyful, accessible and very practical. I attended MOM last year and loved it."

-Amy Elizabeth Fox, Chief Executive Officer, Mobius Executive Leadership

MASTERS OF MANIFESTATION

This program is for you if you are serious about taking your life to the next level and having a bigger impact in the world.

HERE YOU WILL:

- Discover an unlimited source of strength that you can access to easily and instantly re-energize yourself anytime.
- Design and create your own unique curriculum for living an inspiring life, filled with joy, love and abundance.
- Learn to open your heart so that you speak from a more powerful and insightful place.
- Develop the skills and new habits to claim your power and sustain your vision, including determining your criteria for saying yes or no. Become more creative vs. reactive allowing for greater courage, confidence and clarity.
- Understand how to live with integrity at a Soul level by deepening your relationship with your Trusted Source through active imagination, ritual and practices.
- Move from believing to knowing to stand powerfully in what you know. Face your fears and recognize what stops you as you shift your relationship to your critic or anything else that might sabotage your dreams.
- Receive personal coaching (in a small group format) from Marcia every day.

PROGRAM LEADER:



Marcia Wieder Dream University's CEO and Founder® Marcia Wieder is committed to helping one million dreams come true. The author of 14 books, she has appeared on Oprah, the Today Show and was featured on a PBS-TV show called Making Your Dreams Come True. As a columnist for the San Francisco Chronicle, she urged readers to take "The Great Dream Challenge." She is a member of the Transformational Leadership Council along with other thought leaders such as Jack Canfield and John Gray. As past president of the National Association of Women Business Owners, she assisted three U.S. presidents and now serves on the advisory board for the Make-A-Wish Foundation.

The course will be from November 6th - 10th, 2013

Loews Coronado Bay

4000 Loews Coronado Bay Road - Coronado, CA 92118

619-424-4000 www.LoewsHotels.com

\$189 per night - Single/Double Occupancy

November Workshop Cost: \$3495

Price is for workshop only—travel and meals are not included

To register: <http://dreamuniversity.com/programs/live-programs/masters-of-manifestation/>

For questions please call (415) 381-5564 or email: Angela@DreamUniversity.com



*When you find your true voice
your life will change.*

Claude Stein

Authenticity & the Voice of Great Leadership

"Claude is a pioneer in the use of performance techniques to improve confidence and expressiveness, cutting the time required for individuals to present themselves as powerful and compelling leaders."

*CHRIS WILLIAMS
DIRECTOR, LEADERSHIP DEVELOPMENT
N.A.S.A.*

clients include:

Sprint
General Electric
Siemens
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The Hartford
U.S. Congress
Mass General
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Center for Creative Leadership

claudestein.com

Natural Singer Workshops:

Kripalu:
November 29, 2013
January 24, 2014
April 4, 2014
November 28, 2014

Omega Institute:
July 18, 2014
August 24, 2014

NY Open Center:
December 7, 2013

Esalen Institute:
December 27, 2013

naturalsinger.com



claud.stein@mobiusleadership.com

212.460.5878

“YOUR LEADERSHIP IS STEADY, OPEN, FLEXIBLE, RESPECTFUL, KIND, INTUITIVE AND SYNERGISTIC!
IT WAS THE MOST ORGANIC, GROUNDED PROCESS FOR LEARNING – FROM THE INSIDE-OUT”.

–F.M , Senior Mindfulness Instructor

The Alchemy of Group Work

a body/mind/spirit approach to group-as-a-whole therapy



With Michael Robbins M.A., L.M.H.C.

Sunday, Sept. 22, 9:30 – 5:30, Cost: \$135

*Follow up series – Saturday Mornings – 9-1, Oct. 5, Nov. 2, Dec14, Jan. 4,
Feb. 1 - \$90 per session (must be taken as a series - \$450 total cost)*

March 30, 9:30 – 5:30, Cost \$135

*Follow up series - Saturday Mornings – 9-1, May 4, June 7, \$90 per session
(Must be taken as a series - \$180 total cost)*

Can be taken separately. All sessions will be held in Somerville, MA at my office

The journey from living life inside of a self-centered perspective to living life connected to a larger context has tremendous implications for our happiness. Group work is the most effective modality that I know of for achieving this transformation.

A systems perspective to healing hypothesizes that self-centeredness is the root cause of human suffering. In this regard it is very similar to many spiritual and meditative approaches to human development. The difference is that in group work we observe the defensive strategies that keep us trapped inside of our self-centeredness in the moment of our interaction with each other. As we become conscious at this fork in the road we have the opportunity to choose between our past strategies and the open, edge of the unknown that emerges when we approach relationships with curiosity and presence. As the group develops, each member confronts their conflicts around taking responsibility for their experience and their contributions to developing the kind of group that they want to live in.

During the workshop group members will also practice simple and powerful forms of moving, standing and sitting Qi Gong to ground, center and cultivate a group “chi-field” of presence, clarity and attunement.

Michael Robbins M.A., L.M.H.C. has trained with Dr. Yvonne Agazarian in a systems approach to group and individual therapy for 22 years and has practiced and taught Tai Chi, Qi Gong and Taoist meditation for 35 years. He is also a student of a variety of healing modalities including, Interpersonal Neurobiology, existential/psychoanalytic therapy, body-oriented therapies, Qi Gong therapy, Sensori-motor therapy, Psycho-synthesis, Internal Family Systems, object relations, and the Diamond Heart Approach. He has written several articles, two book chapters and a book of poetry. If you would like to find out more about Michael and his work please visit his website www.michaelrobbinstherapy.com

A NEW PARADIGM FOR MANAGING STRESS

Transform Derailment Risks into Advancement Opportunities

ADAPTIVE INQUIRY®

Feel deeply. Think clearly.

**Complimentary
90-minutes Webinars**
for Friends of Mobius will be held on:

**Monday September 16 at 7pm Eastern
Tuesday October 1 at 7pm Eastern
Wednesday October 2 at Noon Eastern**

Based on a groundbreaking new theory of emotion, **Adaptive Inquiry** produces an *immediate* shift in the way people understand and respond to stress.

"I still get angry but it has a different feel to it. Instead of being distressing, it's empowering."

- Maureen,
Special Ed Teacher, NY

Forever transform your relationship to anger - in just 90 minutes. **THAT'S** how powerful Adaptive Inquiry is.

"Anger has become an opportunity to build mutual respect."

"When I was angry in the past, I would demonize the other person and see myself as a victim. Now, I just can't do it anymore."

- Darin,
School Counselor, CO

20% of Americans have an "anger management issue." Every coach should have this in their toolbox.

Enrollment is limited. Sign up today! www.adaptiveinquiry.com/mobius +1 (914) 263-0823

The Hidden Power of Emotions



Presented by **Raphael Cushnir**

Best-selling author, leader in emotional intelligence, and host of the acclaimed interview series, Teaching What We Need To Learn



Raphael Cushnir works with people who have spent years refining their personal approach to healing and self-mastery. His clients include passionate meditators, long-term therapy clients, and people who have tried just about everything to transform their lives.

The one thing these people have in common, he's discovered, is a glitch in how they relate to their emotions. This includes even those who believe that they already know how to "feel their feelings."

The bad news is that this glitch can undermine all your best efforts and personal and spiritual growth. The good news is that it's fast and simple to overcome (though, to be honest, not always easy). Once that happens, you're able to breakthrough even lifelong blocks regarding career, relationships, health, addiction, and trauma recovery, and the all important way you treat yourself.

Raphael has written six books, contributed to the Oprah Magazine, and taught all over the world. He is now offering a **4-part video series called The Hidden Power of Emotions**, in which he guides you through the principles and practices required to rewire your own brain. Each video gets right to the point, and is about ten minutes long.

The series is completely free.

If you've already done lots of work on yourself, you, especially, will get a lot out of the videos. To start viewing, click here: <http://hiddenpowerofemotions.com/video1>

The ITC Facilitator's Workshop: How to Conduct the Immunity to Change Process

WITH ROBERT KEGAN AND LISA LAHEY
CAMBRIDGE, MASSACHUSETTS



in Kegan and Lahey's *How the Way We Talk Can Change the Way We Work* (Jossey-Bass/Wiley, 2001) and *Immunity to Change* (Harvard Business Press, 2009). We invite helping professionals from all sectors to join this program to learn how to conduct a powerful process safely and effectively, directed towards the diagnosis and overcoming of individual immunities. No prior familiarity with *Immunity to Change* is necessary or assumed.

This intensive, three-day program is designed to equip participants to incorporate into their own practice the Immunity-to-Change™ process (ITC) presented

Participants will learn:

- How to conduct an Immunity-to-Change workshop in a group or individual setting
- The conceptual underpinnings of this complex learning process
- Typical challenges in conducting the workshop and how to spot and address them
- The most current research and ITC practices Minds at Work is using

“The design of first experiencing, then doing it ourselves, was very effective... Lisa and Bob's styles are very complementary of each other, easy to understand, engaging and approachable.”

Fees for 2013:

- \$2750 for in-house professionals for for-profit companies
- \$1923 for independent practitioners (with non-profit and for-profit clients)
- \$1650 for those from non-profit organizations and full time students

This fee includes all materials and lunches but not dinners or lodging. Discounts of \$100 each are available for early registration and two or more people attending from the same organization.

Minds at Work

(617) 491-2656

▶▶▶ www.mindsatwork.com

Please contact us to learn more

office@mindsatwork.com



September 20, 2013 – September 22, 2013

Location: Rhinebeck, NY

Course: SM13-4902-568

Teacher: Chade-Meng Tan, Mirabai Bush

Tuition: \$395 Continuing Education: 10.5 hours

Search Inside Yourself is a groundbreaking mindfulness-based emotional intelligence program developed at Google that helps people be happy and more at peace. When people are happy and at peace, Google has found, they are also more effective at work and relate better to their coworkers and families. More than 1,000 Google employees around the world have taken the course.

This workshop is based on the Google program and best-selling book *Search Inside Yourself*. The book, written by Google engineer and personal growth pioneer, Chade-Meng Tan (Meng), is creating a paradigm shift in business and corporate structures.

Meng and curriculum codeveloper for *Search Inside Yourself*, Mirabai Bush, offer highly interactive opportunities to integrate the theories and practices of mindfulness and emotional intelligence, and the supporting scientific evidence that shows how these practices can:

- Increase concentration and creativity
- Enhance self-confidence and decision-making processes
- Help clarify vision
- Develop resilience and compassion

You also learn how to use mindfulness and emotional intelligence skills to develop leadership practices that can improve employee collaboration and engagement.

This workshop is also appropriate for helping professionals who can use the information and techniques in their work.

<http://www.eomega.org/workshops/search-inside-yourself#-workshop-description-block>



THE WILL OF GOD

*The will of God will never take you
Where the grace of God cannot keep you
Where the arms of God cannot support you
Where the riches of God cannot supply your needs
Where the power of God cannot endow you*

*The will of God will never take you
Where the spirit of God cannot work though you
Where the wisdom of God cannot teach you
Where the army of God cannot protect you
Where the hands of God cannot mold you*

*The will of God will never take you
Where the love of God cannot enfold you
Where the mercies of God cannot sustain you
Where the peace of God cannot calm your fears
Where the authority of God cannot overrule for you*

*The will of God will never take you
Where the comfort of God cannot dry your tears
Where the word of God cannot feed you
Where the miracles of God cannot be done for you
Where the omnipresence of God cannot find you*

For more about the offerings of Mobius Executive Leadership please go to **www.mobiusleadership.com**.

To discuss bringing Mobius leadership programs, trainings or executive coaching to your organization please write **Karyn.Saganic@MobiusLeadership.com**.

