

Leading during a time of SIEGE

John O. Burdett

“Ramp-up business development. Release the vitality of those who have a proven track-record in bringing in new business. Drop the drawbridge, raise the portcullis and let your sales talent run free.”

Every few years change is thrust upon us that is so epic, so dramatic, and so complete that things can never go back to being the way they were. October 2008 was such a time. Presidential elections were set on a new trajectory; legendary financial institutions, businesses that in some instances had survived the crash of 1929, went broke; and the debt of more than one bank exceeded the GNP of the country in which it was based. That the world’s capital markets came close to collapse, is not in dispute. That governments and financial giants, on a global scale, were found wanting, is undeniable. Time will tell but, arguably, what we were witnessing was a spike being driven into the heart of Twentieth-Century capitalism.



A test of the institutions we have come to rely on, the cataclysmic events that unfolded in the Fall of ‘08 were no less an examination of the business leaders whose shareholders were so dramatically impacted. Add to the credit meltdown a significant drop in consumer confidence, unprecedented negative employment numbers and major slowdown of the global economy, and what you have is a leadership challenge that equates to standing on the edge of a deep precipice with a howling gale at your back.

In the Middle Ages a leader gained his spurs by sallying forth and putting the enemy to flight. He (occasionally she) protected his/her lands, however, by knowing how to defend the castle in times of siege. This took planning, courage, training and an ability to inspire. Well we have recently entered a period where an apt description might well be “leading during a time of siege;” and guess what, the defensive qualities demanded haven’t really changed that much.


What follows isn’t a recipe. It’s not even a set of recommendations. To be presented as such would be presumptuous. What is outlined are ideas and insights that come from working with top leaders for two decades or more. Go through the views outlined, not with the notion that “this is what I must do,” but

with a mindset that asks, “Would this be a useful discussion point with my team?” Remember, every situation is different.

The four domains outlined (direction, delivery, development, discourse) are a refinement of the head, hand, heart and spirit model that first appeared in *New Role, New Reality (2000)*.¹ An outcome of literally thousands of inputs from leaders in over thirty countries, the four domains should not be seen as standalone dimensions, but as four critical, overlapping elements in what is, essentially, a holistic view of what it means to be an outstanding leader. By that is meant, it really matters naught that the leader in question delivers excellence in three of the domains if in the fourth he/she is found wanting. See figure one.

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<p>FIGURE ONE</p> <p style="text-align: center;">DIRECTION</p> <p>Focus on the essentials of the business – where necessary move back to the core</p> <p>Know where and how you win – sharpen the value proposition</p>	<p style="text-align: center;">DISCOURSE</p> <p>Show that you care. Tell people the truth about what’s going on. Be especially considerate of those who get cut from the organization.</p> <p>Instill pride. Get out into the middle of the organization. Make sure the organization’s story comes across in a compelling and inspiring way.</p>
<p style="text-align: center;">DELIVERY</p> <p>Amplify the customer’s voice in everything you do. Ramp up business development. Explore new markets – new customers.</p> <p>Raise the bar. Make the discipline of delivery exemplary. Take service to the next level. Customers and clients will long remember how you act now.</p>	<p style="text-align: center;">DEVELOPMENT</p> <p>Now is not the time to carry any passengers. Take a fresh look at the talent pool – stretch the best; challenge the rest.</p> <p>Dig deeper and work harder at engaging people. You need peoples’ “A” game now more than ever.</p>



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Direction:

Troubled times present both a challenge and an opportunity. Ideally, you will emerge from this turmoil, not just as a survivor, but better positioned in the marketplace. A financial meltdown is clearly not the best of times to take the lords and ladies of the court to an expensive spar. Nor is it a time to hold back in the belief that eventually someone bolder and more aggressive will show the way.

¹John O. Burdett.

Important as having a vision is, the ominous rumbling of an approaching siege machine shouldn't prompt the notion that now is the time to plan for a new moat. In times of uncertainty you focus on what you already do at a level of excellence. It means moving back to the core: digging in around those businesses, services and/or products where you excel. Under siege focus on and leverage your strengths.



The tougher times get, the more *Why choose you?* becomes a make or break issue. Moreover, it's not enough to have a winning value proposition; you have to be able to **communicate**, in a truly convincing way, how and in what ways what you do makes a real difference. If you don't have a winning value proposition, by default, you are in a commodity business. Now is not the time to be pushing, "I know others have something similar, but" product or service. Know where and how you win.

Delivery:

In times of change, customers' needs change. Making assumptions and/or taking customers for granted is a guaranteed route to commercial obsolescence. Listen to every established customer as if the business in question were a new customer. Listen to every potential customer as if the survival of your organization depends on it – because it might.

Ramp-up business development. Release the vitality of those who have a proven track-record in bringing in new business. Drop the drawbridge, raise the portcullis and let your sales talent run free. Ask others to fill the water buckets, clean the cannons and repair the cross bows. Explore new markets but do so by building on what you do uniquely well.

Raise the bar when it comes to delivery. Instill greater discipline: set stretch targets –that are attainable; emphasis that there is no such thing as 99% commitment; follow up; catch people doing it right; celebrate success; be honest. Most of all, know that when you are sitting on a high horse it's important to remember the need to be humble.

Take service to the next level. Important as the quality of the product or services offered is, the fastest way to increase defections is poor communication about the status quo, lack of responsiveness when things go wrong, tardy follow up, broken promises, and/or viewing the relationship through the lens of your needs and not the customer's. It's far less work to keep an established customer than it is to land a new one. Go the extra mile. How you act now will be long remembered when the siege has passed.

Development:

Uncertainty is made more so by those who are either a poor fit with the role they are in, or anything less than totally committed to the challenge on hand. Passengers get in the way at the best of times. When it's all hands to the boiling oil anyone not putting their whole being into it puts the castle in danger. Turbulent times mean taking a hard look at the talent available at every level of the organization. Four questions loom large:

1. Who to challenge?
2. Who to coach?
3. Who to confront?
4. Who to change?

In uncertain times we need people to bring their “A” game more than ever. The recent work on employee engagement suggests that is not always the case. To move forward, it’s not enough to measure and communicate the level of engagement. Even factoring engagement into the financial performance management package won’t get you there. To engage people we have to, simplistic as it may seem – engage them. Unlock the potential in your organization by allowing employees to play a meaningful role in how engagement actions unfold. Start to see leadership far less about managing people than it is about creating an environment where people start to truly manage themselves.

Leadership, like everything else in life, evolves. For the first era of the so-called “modern organization”, business success was largely about managing money and machines. For the last forty years, the focus has moved to technology and people. As we move forward stewardship, shaping the culture, and working the context, of necessity, become the name of the game.



The financial crisis of 2008 has been rightly blamed on lack of effective governance on Wall Street and its counterparts around the world. Unbridled consumerism has also clearly played its part. What may be of even greater concern however is that the top-down, greed-laden, entitlement focused, business/leadership model that has dominated not a few organizations during the past

two generations has run its course and we need to move on.

We must not stop at retooling the capital markets. We have to reinvent what we mean by the term “organization.”² We also need to make personal integrity and public trust a centerpiece in the way leadership accountability is defined. Not to do so is to invite the emerging economic giants in the Far East to snatch the baton of business excellence from our grasp.

Discourse:

The human mind is an incomparable instrument. For example, we can compare the features of someone we meet with the face of everyone we have ever encountered and make a successful match, or not, in less than a millisecond. We can look at the corner of a table and create an image of what the rest looks like and do so, in-the-moment. Simply put: we (your employees) have a phenomenal ability to (instantly) read the situation and, where the information is incomplete, make stuff up. What people don’t know they will – based on the information available and filtered through past practice – create. It’s what we do. And once “created” this “perceived” view of the world will travel across the organization using the fastest and most efficient form of communication known to man – the grapevine. The dilemma: before long, that message, molded slightly to fit the assumptions of each sender becomes, persay, the new reality.



All change is rooted in the quality of the conversations (discourse) that take place about change. To that end, when things get tough people **need** to hear the truth. Employees need those at the top to get in front of them (not a webcast or video streamed message) and tell them, with authenticity and honesty, what’s going on. The more turbulent the times, the less people know – the more likely it is that informal organization will serve the unmet needs of the uninformed. You are not going to purge the organization of gossip.³ It must, however, be managed.

²For emerging models of organization design see *Leaders Must Lead!* (2003). John O. Burdett.

³To a zoologist, gossip in human kind fulfils the same need as grooming does for our ape cousins.

People want you to care. When the enemy is at the gate, they want you to **show** that you care. And they especially want you to care about those who, for reasons outside of their control, fall from the battlements. Treating people with dignity, helping those made redundant move successfully into a new role isn't a cost, it's an investment in the future spirit of the organization.

In difficult times, speed of action is invariably the difference that makes a difference. That being said, what enables organizations to endure, what fuels organizational agility won't be found in the sub-text of the strategic plan. Responsiveness and the ability to sustain during tough times is the outcome of a leadership approach that gives primacy to organizational culture. In that culture is story and story is culture, the evidence that the business is managing its culture is found in the quality of the organization's story. Great companies have a great story.⁴ Leaders who take others with them during troubling times make the organization's story an ever-present feature of ongoing dialogue. The organization's story engages, it draws people in, it inspires and if it's the right story, it provides meaning for the challenge that lies ahead.⁵ If your organization is leaden-of-foot, building greater agility anytime soon will be difficult. On the other hand, the next tsunami is likely on its way.



Profit forecasts are down, sales figures are being revised and shareholders en masse have been battered into submission. A test of the institutions created over the past 100 years, the current market turmoil is no less an examination of those entrusted with the leadership of the organizations served by the capital markets.

Leadership isn't defined by the title on the business card (even if it does have an impressive coat of arms). It has even less to do with the boxes on the organization chart. Leadership is about results. It's about outcomes. It's about performance. It's about followship. Leadership is also situational. During times of siege, leadership is all about how you protect your castle when food is short, the well is half empty and even all the King's horses and all the King's men can't put things back together again.



In that today's crisis is a unique situation there is no well-thumbed siege playbook to reach for. What we have to fall back on is simply a great question: What do exceptional leaders do in turbulent times? The text is hopefully a means to set your own thinking within a framework for action. Perhaps even more importantly, the material points the way to ongoing reflection. We learn the most, of course, when the siege has run its course ... on our way **down** the mountain. Keep in mind, without reflection there is no learning.

Good luck, we are all going to learn a great deal in the months ahead. Above all else, don't make the mistake of assuming that when the siege has passed, things will ever go back to being the way they were.

⁴ The evidence from our own research is that less than 10% of top leaders "manage" their culture. Most rely on a philosophy best described as "cultural drift." The underlying assumption being that if we do little or nothing (around culture) we will somehow, magically, end up where we need to be.
⁵ For culture generally and, more specifically, the building blocks of your organization's story read *Myth, Magic, Mindset* (2008). John O. Burdett.

Questions

1. In recognition that we have entered a more turbulent business reality, what are you going to do to build a greater degree of agility in your organization? Thoughts that come to mind are a greater focus on culture, a move to scenario planning and making candour a way of life.
2. To what extent will future hiring/promotion decisions embrace, not only success in the role as it appears to be looking forward, but the leader's capacity to deal with the next siege – because there will be one.
3. How are you going to reinvent how leaders are developed (in your organization) to reflect an economy where unpredictability is the new norm?



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John's book on executive integration *New Role, New Reality* (published in 2000) was shortlisted as book of the year by the US Society of Human Resource Management. His book *Leaders Must Lead!* (2003) reached #3 on one popular business best-seller list. His latest book *Myth, Magic, Mindset: a template for organizational culture change* (2008) is already in its second printing.

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