

Finding a Different Way



To Lead

BY TOM WENTZ

The chairman warned me that the presidents would be a tough crowd. I suggested that he not attend the meeting so they could speak their minds. He would meet us for golf the second day.

As we convened the meeting, the central expectation of all 14 presidents was how to be an “A” company. They had all read about the **business** of the **business** and were very clear that their companies had pockets of “A” behavior but none were so bold as to declare that they had arrived at *different*.

I’ve been in a lot of executive-level meetings where the defense mechanism of the participants is very high. It is a form of hating to be told that they are doing something wrong. While everyone was cautious in the beginning, that orientation didn’t seem to exist.

Bob, one of the more senior presidents started the meeting by saying, “We’ve all been driving ‘3’ for the past month. Personally, I thought it was crazy, but on the third day something very strange happened. I began to feel at peace with myself. It was eerie. I would have never believed that I needed to slow down to achieve anything.”

Others quickly volunteered a similar experience. Some said they just couldn’t sustain it for more than a day. Bob continued, “The chairman was adamant that we do it before this meeting. Why is it so important and what is that feeling in the pit of my stomach that tells me to push the pedal to the metal and move on?”

“First of all, it is the main principle of professional golf that *slow must control fast*, and that principle defines the skill you must master in order to be an ‘A’ in any profession, company or in life.”

Bob cautiously asked, “A skill?”

“Yes, it is the skill of being proactive. You might have heard of it as the first habit of highly effective people. It is the skill that all professional golfers must master. It is the skill of a surgeon. Would you want to go to surgery with a surgeon who is in a hurry to get done?”

They were all silent. “Proactivity by definition is the ability to subordinate an impulse to a value or principle. The speed limits are there for the principle of safety. Driving ‘3’ challenges you to subordinate the impulse to defeat time for your own benefit for the safety of others.”

Changing Relationships

They were still focused on what I was saying, so I continued. “The ‘A’ salesperson must be proactive in opening new accounts. New business development is very slow. The ‘B’ salesperson has a very difficult time subordinating his panting dog solution machine as the motivation for changing suppliers. They fail to understand

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that changing suppliers is a choice to buy from a *different relationship* not merely a choice to buy a better solution to a tactical problem.”

Brian quickly and emphatically said, “But going slow in the fast lane isn’t safe. I hate those people!”

I laughed, as we all have felt the frustration of the slow driver in the fast lane. “Brian, you’re right. Two issues — I did not tell you to drive ‘3’ in the fast lane, but more important, if you start your day hating, how long after you get to work does the hate go away?” I paused for a moment and then said, “I know people in many companies who hate customers. I know buyers who hate pushy salespeople. I’m sorry, but hate is the underlying structure of the at war way of doing business.”

David quickly volunteered, “I have two vice presidents who hate our salespeople and hate the customers and hate going to meetings and listening...”

Bob quickly cut him off and said, “Then driving ‘3’ is an important part of our leadership development? I’ve always known the term proactive, but never thought of it as a skill that I needed to develop.”

“Do you play golf?”

“Yes, but not very well.”

“Then you need to develop the skill of proactive, as golf is totally a proactive game. It takes years of practice to master the skill and the best practice field is driving ‘3’ in your own car.”

Bob then looked at the group and said a very strange thing. “We can no longer out-Roger Roger. We’ve all been in the fast lane trying to keep up with Roger. That phony bravado that we must somehow defeat time has cost me some very talented people.”

“Out-Roger Roger?” I asked.

He explained, “We were all chasing Roger — one of our former presidents — and before the *gimme* putt experience, Roger was the leadership benchmark for the chairman.”

I acknowledged to the group that on that fateful day at the Golf Simulation, the chairman had a frantic need to win and defeat the other groups.

Bob continued, “Roger maintained a frantic pace. He

was incredibly impatient and pushed his salespeople hard for results. He had his spreadsheets and market penetration numbers and all the reasons why their products were better and how to *defeat the competition*. We all struggled to out-Roger Roger in our business development review meetings.”

He paused and everyone was silent as they were realizing that they might need to learn a new skill. Many leaders hate learning something new. It is much easier to just sit and listen to a speaker, validate their own intelligence and go home and resume their old ways.

I asked, “Where’s Roger — why isn’t he here?”

Bob quietly volunteered, “He’s gone. He couldn’t stop *gimme* putting.” There was silence after that comment, but everyone knew that the chairman was not going to tolerate that behavior.

The introductions of all the participants and the conversation that followed took almost an hour and I suggested, “Let’s take a quick break and when we come back we’ll focus on the agenda of how to be an ‘A’ president of an ‘A’ company.”

As they left the room the conversations were rather quiet and I could see people simply nodding their heads. As I walked by one group, I heard one person ask, “Were you able to do that?” All I heard was, “I tried it once.”

The Skill of Being Proactive

Skill development is a very difficult process. Being proactive is one of the most difficult skills to master because it is making a conscious choice to be *different*, not a reactive mechanical process like hitting a baseball or returning a serve in tennis. As you will see, it requires visioning, not planning.

After the break, I invited them to turn to the first page of the hand-out that I had prepared for the session. “The single difference between the ‘A’s’ and the ‘B’s,’ whether in life as a parent, a spouse, a leader, or as an employee at any level, is how they metabolize time. You’ve watched them on the freeway. You’ve experienced them when they nudge their way out of the parking lot after a game.”

Brian said, “I hate those guys!” He laughed and said,

"I'm a very competitive guy — have you figured that out yet?"

"Brian, I see that, and so am I. There is nothing wrong with being competitive. I'll give you a stroke a hole on the golf course tomorrow. You name the bet!"

The chairman had warned me that Brian was an avid golfer but has a horrible slice. I continued, "Defeating linear time is a very natural problem-solving mechanism. It is a vital process in the reactive-responsive life stance, but it can become an addiction for many people. It is even worse for the people whose last name starts with 'A.' They were always first in line when they were growing up." (Brian's last name started with A.) "Isn't that right, Brian?"

That little joke and bantering with Brian broke the serious nature of the conversation. Cheryl volunteered, "My sales manager doesn't get this — does he?" The rhetorical nature of her question was obvious as she knew that I had met with her sales manager at the sales conference.

"None of them do, yet — but I think they all have the potential."

Carlos raised his hand and asked, "What's wrong with winning?" That thought had lingered from my comments about the Chairman's need to win at the Golf Simulation.

"Carlos, that's a great question. There is nothing wrong with winning. In a win-lose contest like most sports, it is highly desirable to win as the nature of the game requires

that someone lose." I paused, "But in business where the nature of the game is win-win, it is absolutely critical for both parties to win. So, to accurately answer your question, winning is critical. Commitment to win-win is the big difference between 'A' and 'B' companies."

Waging Peace

I paused, as I was sure the chairman had told them about waging peace vs. being at war. "The 'A' companies are at peace with their customers so that win-win can naturally occur. I'm sure you know which suppliers to your companies are easy to do business with?"

Brian raised his hand and said, "We've tried being easy to do business with. Our customer satisfaction ratings weren't very good. They told us we were hard to do business with." He paused for almost 10 seconds as somehow he was unwilling to admit what he was about to say. "As you probably know, we lost one of our major accounts two months ago. We implemented easy with them — and lost. What am I missing?"

I asked them to turn to page two where it said, "Different is proactive! Brian, it does not say that different is about reacting to problems. It is not about going from hard to easy. Almost every company has initiated programs to move from hard to easy, smarter not harder. These are responses to problems. Problem-solving strategies will always oscillate between opposite poles — left to right, north to south and hard to easy. There was a time

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when the oscillation was between quantity or quality. Remember those days?”

In an exasperated tone, Rusty said, “We had that debate last week!”

I picked up a marker and drew the tension resolution model that was on page three of the hand-out on the flip chart. Using the reason why diets don’t work, I explained, “When we diet, initially we don’t eat. Not eating causes us to feel hungry and hunger will cause us to oscillate back to eating. We can’t eat and not eat. Problem solving strategies always oscillate between two mutually exclusive tension resolution points — and as you can see, we end up in the zone of indifference.”

I paused as they were looking at the diagram and said, “It is almost impossible to get people who are living in indifference to tackle the challenges of being different.”

Quitting Mentally

That sounded like double talk, so I referred them to the other example on page four of people who hate their jobs. “They resolve the hate by mentally quitting. The thought of quitting generates the emotion of fear and they stay in their jobs. How many times did you hate Roger and mentally want to quit if you were going to be forced to do it his way?” The quit and stay example was a very vivid reminder of their Rogeristic feelings.

Bob said in a rather rhetorical way, “And the hate starts on the freeway before we get to work — right?”

“Bob, traffic jams are problems to most people and they continue on at work in that problem-solving mode. It is the leader’s role to change the nature of the game at work. If the leader can’t do that, the company will likely be a ‘B.’ The problems of every job often start on the trip to work.”

Brian was anxious to ask a continuing question, but I motioned for him to wait. “Brian, when a company initiates an easy-to-do-business-with strategy in response to a problem, they begin to give away things thinking that that is what being *easy* is all about.”

Brian could not contain himself and said, “That’s exactly what we did, and it set a precedent with that cus-

tomers. We eased up on our warranty parts policy after the warranty had expired and then when we enforced the warranty, they got mad.”

“Brian, there are hundreds of examples of how oscillating strategies fail. Today, we must understand that we cannot be different by more effectively solving problems. You’ll learn that by driving ‘3.’ Faster and slower are mutually exclusive problem solving strategies to the reactive person. To the proactive person faster and slower are simply effective action steps in navigating the emotional journey of highway travel.”

Bob said, “Then speeding is okay?”

I laughed, as Bob was really trying hard to internalize the difference between reactive and proactive. “Bob, to the proactive person, exceeding the speed limit is not speeding. Speeding is a judgmental term. Exceeding the speed limit is often a legitimate strategy when driving safe. It is totally okay to get in the fast lane and drive safe by maintaining the flow of the other drivers. Remember, proactive is the subordination of an impulse to a value. In the fast lane the value is safety.” I paused to let that thought sink in and once again confirmed, “Legitimate fast lane behavior is not speeding.”

Mark said, “Then when I’m driving ‘3,’ I should not see the people in the fast lane as wrong?”

“Great question. Let the highway patrol officers be the judge of that behavior. That is their training. Simply be clear about the choice you are making. You cannot judge why others are making the choices they make.” I paused, “And this is critical to our leadership agenda. You cannot judge why your competitors do what they do. Let the customers be the judge. Your only concern should be about the conscious choices your people are making.”

Ryan had been quiet until now and said, “It sounds like we’ll need to change a lot of language. Our Rogeristic programming is all about defeating time. It was really hard for me to drive ‘3.’ I kept talking to myself in the language of Roger.”

Changing Context

“Ryan, that’s a great observation, and you’re right, the

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language must change, but how you change it is the important process.” I paused and asked them to turn to page five in their hand-out. Once again I repeated the thought, “Different is proactive. When we begin to change the language, we’ll change all the incremental ‘er’ words — better, smaller, faster, cheaper and the word more into different. I’ll coach you to listen for these words and the phrase, ‘the problem is,’ and transform the context of your business. As you can see from the diagram, structural leaders first change the context.”

Everyone now seemed willing to learn a new skill. To begin the discussion of structural leadership, we spent the next hour understanding the shift from the economics of diminishing returns to the economics of increasing returns.

“The question is not, ‘Who moved my cheese?’ but rather, ‘Who changed the maze?’ We are now confronted with a networked world where the economics of increasing returns will dominate our lives and business relationships. Yes, according to some scarcity experts we will run out of oil — cheese. This is based on the assumption that nothing creative will be created to replace oil as the primary energy source — and according to other scarcity experts a meteor will hit the earth, block out the sun and life on earth will end on December 30, 2014.”

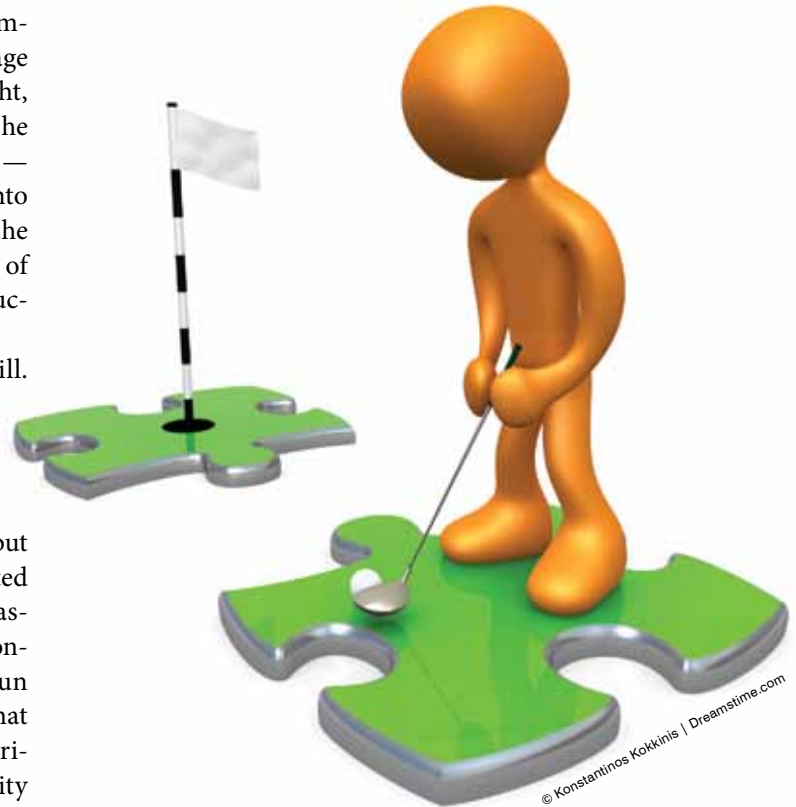
They just looked at me and didn’t know how to react. “Freeze!! Don’t move!! Don’t change your expressions. Now — carefully look at yourselves. You are basically paralyzed. I’ve propelled you back into your scarcity mind-set. It is really easy to do. It sounds like most of the political debates.”

I paused as everyone chuckled about the polarizing debates of the political process. They didn’t know what to say next, so I said, “Relax! There is a different view. We live in a world of abundance and we can create the future from the resources that are available to us. The Pilgrims did it. You have the creative talent in your people to do almost anything if you as leaders will allow them to create.”

I paused and said, “Now — how do you feel?”

Bob sat forward and said, “I *hate* that scarcity feeling. That is the same feeling I had in my car when I wanted to push the pedal to the metal. For a moment I felt like I felt when we were with Roger. I never knew what to say to counter his end-of-the-world scenario. What you are saying is that he was a scarcity guy, is that right?”

“A scarcity mind-set will often be used to intimidate and manipulate people into buying things that they don’t need. Managers like Roger obviously used scarcity to justify the conclusions from his spreadsheets. Structurally, it is called conflict manipulation. It is based in the thought of, ‘If you don’t...you won’t.’ Very few children can argue



with the parent who uses that approach to get them to clean their plate.”

I could see everyone recalling their childhood and their angst while being with Roger.

“Let’s not pick on Roger as a person, as there are thousands of people who run businesses of all kinds who are invested in the scarcity concept of diminishing returns. That is the structural reason you felt uneasy about what I said. I simply changed the structure of your thought patterns and your feelings changed with the structural change. You may think it is me, personally, because I am what you can see, but below the surface of any person or company there is a structural reality that drives that behavior.”

“Let me give you another example of conflict manipulation. ‘Ladies and gentlemen!’” They all sat up as my command had control over their attention. “The terrifying truth is — if you don’t change the underlying structure — if you don’t develop new leadership skills — if you aren’t able to be proactive and don’t break the oscillating patterns of the problem-solving behavior — one of you will become the new Roger.”

They were silent and I looked at Bob in a rather joking way and said, “It may be you, Bob, and they’ll all hate trying to out-Bob Bob.”

Cheryl stood up and said, “I *hate* that culture — it is how we are managing our salespeople. We tell our

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reps...” She paused and said, “We’ve tried to change that culture many times, and it never changes.”

“Cheryl, it is not a culture — it is the underlying structure of the Industrial Age business model. It is based on the false assumption that if you don’t defeat the competition, you won’t win and dominate the market.”

“Turn to page six and let’s take a look at some underlying structural assumptions that must be embraced in order for your companies to be ‘A’s’. The first assumption is that there is a world of abundance out there. As leaders, you need to know how to orchestrate your businesses to access it. It is the difference you came here to really understand.”

“Notice on page six the statement from Dee Hock, Founder and former CEO of VISA. He wrote *The Birth of the Chaordic Age* in 1999, so he was aware that something different was happening long before the recession hit.”

“This book is a story about the future, of something trying to happen, of a four-hundred-year-old age rattling in its deathbed as another struggles to be born — a transformation of consciousness, culture, society and institutions such as the world has never experienced. We are living on the knife’s edge of one of those rare and momentous turning points in human history. Livable lives for our children, their children and the children’s children hang in the balance. The Industrial Age, hierarchical, command-and-control institutions that have grown to dominate our lives are increasingly irrelevant in the face of the exploding diversity and complexity of society worldwide.”

“There has never been a time in world history like we are in right now. We are at a bifurcation point unlike the world has ever seen before. Both the context and content are changing. Also on page six is a quote from Larry Bossidy from his book *Confronting Reality* that suggests that we are confronted with structural change.”

“There’s a big change going on, and it’s happening fast because the global economy has gone real-time. It’s not cyclical change. It’s *structural* change. Many

industries today are so crippled by structural change that their problems have no obvious solution. We call them structurally defective industries. They range from autos, commodity chemicals, electric utilities, airlines, telecommunications, professional hockey and building materials. Companies in these industries are chronically unable to earn enough to be economically successful, no matter how brilliant their strategies may be or how meticulously they execute. Their business models are broken and can’t be fixed.”

“Note the thought — it’s structural change. It is not possible to oscillate from right to left and find the solution — and Cheryl — neither is it cultural.”

Cheryl then asked, “What is causing it?”

“Note the quote on page seven from page 83 of Dee Hock’s second book *One From Many*, where he defines the underlying reason for this structural shift.”



“The endless compression of float, whether of life forms, money, information, technology, time, space, or anything else, can be combined and thought of as the disappearance of “change float” — the time between what was and what is to be — between past and future. Only a few generations ago, the present stretched relatively unaltered from a distant past into a dim future. Today, the past is ever less predictable, the future ever less predictable and the present scarcely exists at all. Everything is accelerating change, with one incredible important exception. There has been no loss of institutional float.”

“Many companies make the false assumption that the business environment will return to normal and the strategies of the past will apply again.” I paused to be sure everyone had finished digesting Dee’s quote.

“If there is ‘no float,’ then every business must operate in ‘real time.’”

“Please be clear, exceeding the speed limit is not wrong. Driving 80 or driving ‘3’ is merely a ‘real-time’ choice. Leaders need to learn to choose what to do *right now*. Both speeds are legitimate choices.”

I paused for almost 10 seconds and asked, “How many of you understand the demands of ‘real time’ on your business?”

Most of the hands went up to about half-mast which implies, “I think so.” Rusty said, “We had to change our thinking from supply chain to logistics. Some of our people still don’t understand the difference.”

“Great observation, Rusty. At the content level, some things will always appear to be the same. This is very confusing for many people. Leaders must change the context before they change the content. The challenge of the ‘A’ companies is to be responsive to the ‘real time’ needs of their customers, not the efficiency improvements of the factory — context before content. I want my money from the ATM machine when I want it — not when the bank efficiently wants to open again.”

Carlos said, “We all know this. My company has spent a fortune on new technology to get into the ‘real time’ game.”

Impact of Technology

“That’s true in almost every company. Even the ‘B’ and ‘C’ companies have all the latest technology tools. Most of the technology tools have been applied to make the reactive go faster. Much of it has been used to eliminate jobs. It actually makes many companies hard to do business with. Have you called a service center for help recently?”

Rusty now asked the key question, “So what do the ‘A’s’ have that the ‘B’s’ and ‘C’s’ don’t have?”

“Proactive leaders — leaders who know how to activate going fast and going slow to meet the demands of ‘real time’ — people who are waging peace, not waging war — people who are committed to aligned behavior.” I paused as it seemed redundant to repeat what we had covered for the past four hours.

Then Rusty said, “I need salespeople who are working in the world of abundance. Our selling approach is all about scarcity and pain.”

“After lunch, we can talk about how to change the structure from command-and-control to visualize, enroll and align. It is shown on page eight of your hand-out.”

Bob quietly said to the group, “Before we go to lunch, we all knew we couldn’t out-Roger Roger, and the future is not going to be to out-Bob Bob. We all knew there was a different way to lead and this seems to be it — what do the rest of you think?”

At lunch I sat back and just listened as the reality dawned. The drive ‘3’ experience was the common awareness for all of their comments. Most important, they were totally at peace with the next steps and how they as leaders must begin to create the ‘A’ companies they wanted to be. The focus was now on how to help their people see a vision of being an ‘A’ company and how to get them enrolled.

Right before we reconvened, the chairman called my cell. He said, “I’ve already heard that the *gimme* putting is gone. Can I join the afternoon session? I need some proactive development before golf tomorrow.” 