

Have you ever thought about...

...problem-solving?

## Stop defending against a problem and start solving it

**MANY TIMES, rather than accepting a problem, we spend more energy fighting it than would be needed to solve it.**

How do we avoid accepting a problem? Among the most popular techniques are to avoid, deny, minimize, blame, and argue. All of them waste energy, and delay the solution.

Alternative possibilities:

1. **Catch yourself** in whatever avoidance or defensive technique you tend to use.
2. **Take a deep breath**, laugh at yourself a little. Consider what you'd say to a good friend who was behaving that way.
3. **Accept the problem.** It's here. Arguing, wishing it would go away, will not solve it.
4. **Gather the facts.** What exactly is happening?
5. **Survey the severity of the situation.** How bad is it? What will be the consequences if it is not stopped, or solved?
6. **Double-check** to be sure you are not over-reacting. Use the information gathered in the last two steps to be sure that your response will not be a mountain-climbing response to a molehill issue.
7. **If possible**, acquire the necessary tools or skills to deal with it. For spilled milk, the tool is probably a paper towel or a cleaning rag. For a relationship, the first tool and most important tool is honesty, with oneself and with the other.
8. **Assess carefully**, putting your ego aside, whether you can fix this yourself. There are some things for which you need expert help, whether it be from a carpenter, a plumber, or a counsellor.
9. **Do what you need to do** to fix it, with or without help.
10. **Use what you've learned** to set up a mechanism to prevent repetition of the problem, even if you must make basic changes in your lifestyle.. **BAI**

SOURCE NOTE: Submitted by Diana Robinson, Ph.D.

### Words of Wisdom

**"Some men are born mediocre, some men achieve mediocrity, and some men have mediocrity thrust upon them."**

— Joseph Heller

**BUSINESS**

# ALERT!

**"Practical Advice That Works" Vol 5 No 2**

## What makes a leader tick?

by Christopher Spink

*Leadership can be exciting but scary, rewarding but painful.*

**SIR STANLEY KALMS of electronics retailer Dixons is an exceptional business leader, having turned a photography shop in north London into a leviathan.**

That kind of inspiring story might seem irrelevant to your situation, but you should first and foremost have a clear vision of where you are going. What is your business strategy for the next five or ten years?

You also need a view of what you are trying to achieve.

Are you looking to build a business for your heirs, float it on the stock market or sell it to another company for hard cash?

If you don't know where the business is heading, how can you expect the people in your team to follow you?

"Good leaders decide what they're going to do, and then decide on the tasks the rest of their team should do to get them there," says Patrick Dunne, a director of England's largest venture capital company, 3i, and a man who has encountered hundreds of potential leaders during his career.

Professor Sue Birley, director of the Entrepreneurship Centre at the Imperial College Management School, agrees. She believes clarity is the key for leaders and urges them to have a vision of where the business is going, some explicit goals, both in the short term and further out, and a stated action plan which will nevertheless change as the business develops. "Leaders need to be flexible, and must communicate with both the marketplace and their own staff," she says.

### Listen well to others

By displaying this clarity of direction, Birley reckons leaders can gain respect, and eventually admiration, from both outside and inside the business. This can be achieved by talking to your contacts. "Find out what's going on in your area and gather information," she recommends.

Dunne comments: "Leaders should not be

closed up." He urges entrepreneurs to get hold of lots of information by "listening well and making use of other people's ideas".

However, it's one thing to have a view on how you want your business to develop, quite another to implement the necessary measures that will take your firm to the desired destination. Talking specifically about the qualities required, Birley says leaders should be "articulate in order to be effective communicators; know their business inside out, and the market for their goods or services; be good at negotiation, because this area is all about making deals; and, fundamentally, they need to delegate from day one!"

### Be able to delegate

On a practical level, this means leaders basically need to have a range of managerial and technical skills, says Birley. "Managerial ones include delegation, for example, and technical ones would be how to do a cash-flow forecast. What specific skills you need really depends at what level of development you are at."

Many business thinkers reckon entrepreneurs who are buzzing with ideas often lack decent people management skills. Whether you do or not, at some stage you may have to take someone on to help you manage your expanding team.

The moment could come when you employ around 25 people, says Cary Cooper, professor of organisational psychology at UMIST. "Most entrepreneurs like generating ideas and taking risks. But being a risk-taker doesn't necessarily mean you're a good manager of people."

When your business reaches this size, he reckons you should start to find people to manage functions of the company you will no longer have time to look after.

You can still be a good leader even if managing people isn't your forte, believes professor John Mullins of the London Business School. "One of the hardest things to do is to hire people who are better than you are." But this is vital if the business is to continue to prosper.

Graham Wellesley, who founded online point-spread betting company IFX in 1995, knows this 'delegation dilemma' well. In IFX's first year in business the group's six employees achieved revenue of 3 million British pounds, about \$5.6 million. Since then the group has expanded, going public by merging with the Zettlers Group, and now employs over 300

*concluded on page 2*

30-minute exercise that will enhance your team-working

**INSTEAD OF WASTING thousands on sending teams of employees to outdoor challenge courses, here's a half-hour activity, suggested by trainer Phillip Faris, that will do nearly as well.**

It helps people discuss and better coordinate their goal-setting, decision-making, feedback-giving and team-support skills.

Divide your group into teams of four to six people to compete in the "Great Teamwork Shootout." Each team will need a waste paper basket and about 100 sheets of scrap paper.

Designate a separate shooting area for each team by putting its basket against a wall and placing a 10-inch piece of masking tape on the floor, 10 to 12 feet away.

Tell each team to designate a shooter who will toss paper wads into its basket. Shooters will not be allowed to face the basket, so they will have to rely on their team members for direction and feedback.

Give each team ten minutes to select a shooter and to establish a goal for the two-minute shootout period.

The winning team will be the one with the most points. Points will be awarded this way:

- Two points for each basket up to the team's goal.
- One point for each basket over the team's goal.
- Three points subtracted for each basket under the team's goal.

For example:

Goal	Actual Points
Team A	12 13 25
Team B	12 11 19

All paper wads must be made during the two-minute shootout.

Team members may not physically assist the shooter (e.g. move the basket or tip shots in). They may only give feedback and prepare paper wads for the shooter.

After the ten-minute preparation and two-minute shootout periods, tally the groups' scores and ask them to discuss among themselves (then as a large group):

- What factors helped your team's performance?
- What factors hindered your team's performance?
- What could you have done to improve your team's performance?
- How does this exercise relate to your job? **BAI**

SOURCENOTE: Phillip Faris, **50 ACTIVITIES FOR SALES TRAINERS**



Thomas Long

## The view from where I sit

**AN ANCIENT KING once dreamed that all his teeth had fallen out. He was naturally concerned about his dream, so the next morning he sent for a soothsayer to interpret his dream for him.**

The soothsayer listened to the king's dream, pondered it for a moment, and then delivered this pronouncement: "Your Highness, the dream means that all your relatives will die and you will be left alone."

The king was furious at the soothsayer's interpretation, and he demanded the soothsayer remove himself from the palace at once. Then the king called for a second soothsayer. This soothsayer listened to the king's dream, pondered for a moment, and then proclaimed: "Rejoice, O King! The dream means that you will live many more years. In fact, you will outlive all your relatives! LONG LIVE THE KING!"

This interpretation so pleased the king that he gave the interpreter a large purse of gold.

Essentially, the two soothsayers made the same prediction. But there was a big difference in HOW they delivered the message, wouldn't you agree? As a result, there was a big difference in how the message was

received. The moral of the story is very clear: It's not WHAT you say, but HOW you say it that counts!

### Another example

Here's a little game I learned from Zig Ziglar, which demonstrates how the way you say something can dramatically alter what you mean to say. In this exercise, I want you to accentuate the one word in the sentences below which appears in boldface italics. Just put extra emphasis on that one word as you read out loud. Each sentence is exactly the same, but watch what happens when you place emphasis on the different words.

*I* didn't say she stole the money.

I **didn't** say she stole the money.

I didn't **say** she stole the money.

I didn't say **she** stole the money.

I didn't say she **stole** the money.

I didn't say she stole the **money**.

Aren't the differences interesting? All because you merely accentuated a different word in the exact same sentence!

Again, it isn't what we say, but how we say it! **BAI**

### WHAT MAKES A LEADER TICK?— concluded from page 1

people.

Wellesley believes all successful leaders need that vital 'vision' — a sense of where the business is going. "The hardest thing, though, is that transition from doing it all to realizing that the business should be strong enough to survive without one key individual — that is, yourself. Instead of doing all the jobs, concentrate on doing one or two and get in people that you trust to do the rest."

He reckons that at an early stage, leaders need to be good at bringing in sales. "When your revenue is relatively small, bringing in a big contract can affect the business dramatically. But that same contract would be insignificant in a larger operation, and is best left for someone else to do."

Wellesley says you should always be analyzing your role: "You have to continually question yourself and your role, and then react accordingly. This can be terribly painful and difficult, especially when you may have to give up what you've been doing successfully in order to let the business grow." He believes this lesson is vital.

### Nature or nurture?

However, when push comes to shove, what really determines whether someone is a good leader could go back to their early childhood, or even be lurking in their genes.

Birley believes the personal characteristics you are born with, or pick up as a youngster, are important. She cites Richard Branson as an example. "When Branson was a teenager he did things, such as setting up a record shop, that many people would think of as high-risk, but to him [they] seemed normal."

Graham Wellesley, who is also known as Viscount Dangan, boasts an illustrious leader as one of his ancestors: the Duke of Wellington, who won the battle of Waterloo.

Modestly, he doesn't claim to have inherited the same exceptional streak as Napoleon's vanquisher: "My family history means I have a lot to live up to. There's a certain amount of family pride in succeeding in this venture. Having said that, a lot of my relatives don't have the same pride, ambition and desire as me."

Those three virtues seem to sum up the personal qualities an entrepreneurial leader should display in buckets. Birley thinks it's boring to argue whether it's more important to be born entrepreneurial or become so later on: "In reality, successful leaders in this area generally show a combination of both factors."

Like Wellesley, she says it's more important whether you're ambitious to succeed: this will have a lot to do with whether you make a decent entrepreneurial leader!

Professor Cooper reckons the spark that could motivate someone's ambition might be triggered early on in life. "Feelings of deprivation or rejection in early childhood can make someone want to succeed later on," he says. "Perhaps someone who was told he was incompetent at school is fired up to achieve. Basically, they want to show that they are better than they think people think they are!"

Interestingly, Wellesley points out that Wellington overcame obstacles early in his life. "He was taken out of Eton very early on because he performed poorly at his academic studies. It was only because of this that he joined the army!"

Many entrepreneurs agree that decent leaders don't necessarily need good academic credentials.

### The changing nature of leadership

Most experts agree that the role of the leader will change as the business grows. Wellesley recalls the different leadership skills an entrepreneur needs: when things are smaller and you can all fit in one room, you can achieve in a one-hour meeting what takes one day to accomplish in a larger organization. **BAI**

SOURCENOTE: BUSINESS XL



Reveal your true feelings to your co-workers

**OUR MOOD** affects how we respond to new information, and our mood changes throughout the day.

But moods are internal — other people can't see them.

They can only guess whether we feel receptive or critical, unless we let them know.

Here are some ways people use to tell co-workers where "they're coming from":

Staff members at the Madison Area Quality Network work in an open environment, so they often are interrupted at inappropriate moments.

To maintain some privacy and mental focus, people there have a color wheel at their desks that looks like a board game spinner.

They paste a funny picture in each section to let each other know how they might be feeling at the time.

The wheel acts like a "door" to let colleagues know how willing the cubicle occupant is to being interrupted.

"Usually, red means off limits, yellow means proceed with caution, and green means come on in," says Turina Bakken, MAQN director of programs.

"Each person makes up their own funny key to what the colours mean to them."

The color wheel is a light, informal way to communicate a cubicle occupant's state of mind.

Stephen Datena, of the Larrey Surgical Clinic, uses a different approach to indicate when he wants to be left alone to get something accomplished.

He puts a "Go Away" doormat in front of his office door.

He encourages co-workers to borrow the mat when they need uninterrupted time, report authors Dave Hemsath and Leslie Yerkes. **BAI**

SOURCENOTE: Dave Hemsath and Leslie Yerkes, **301 WAYS TO HAVE FUN AT WORK**

### Words of Wisdom

**"Treat all disasters as if they were trivialities but never treat a triviality as if it were a disaster."**

— **Quentin Crisp**

## Hiring

# Make downsizing a learning experience for everyone

*Downsizing can be transformed from a negative — albeit necessary — experience into a revitalizing learning opportunity for your staff and organisation.*

**CONSULTANTS DALMAR FISHER AND WILLIAM TORBERT observed two approaches to downsizing when working with the World Bank, and each led to a different kind of outcome.**

The first approach was launched by then-president of the World Bank, former U.S. Rep. Conable, R-N.Y. He killed and resurrected the organization by redrawing the organizational chart with far fewer positions and inviting everyone to become a candidate for any position.

Conable himself hired fewer deputies than previously, and they in turn followed suit, hiring a reduced number of subordinates.

Thus, he abolished the old structure and shook up the staff's complacency.

However, anxiety and politicking skyrocketed.

In the end, with few exceptions, former bosses simply hired back most of their former subordinates for similar positions and continued operating essentially as before.

### Different approach

One deputy, a Swedish executive, took a different approach. She had to reduce her roster of subordinates from six to four.

She began by telling the group that personnel evaluation was a major problem in the Bank's third world development projects.

She would thus regard as a primary criterion for rehiring a person's ability to solve the department's own downsizing challenge in a way that could be applicable to those projects.

Only one of the former subordinates submitted useful suggestions. So she rehired this person and let the rest of the group know why.

In the second phase of her rehiring, she implemented one of those suggestions.

She told the five remaining candidates that if they wanted to be considered for any of the three positions left, they must recommend the most qualified person outside the group for the particular position, documenting the process they had used to reach that determination.

Three of the five refused to participate, evidently regarding it as contrary to their own career interest. They were not re-appointed.

The Swedish executive rehired the two who did respond positively, but invited them to take the position in the new unit for which they were least qualified — as a challenge to increase their attention to teamwork and to learning from others. Both accepted.

The final position was offered to one of the outside candidates recommended by the three rehired subordinates.

"At the end of the following three years," report Fisher and Torbert, "this group had one of the best-performing bank loan portfolios among all the area groups within the bank." **BAI**

SOURCENOTE: Dalmar Fisher and William Torbert, **PERSONAL AND ORGANISATIONAL TRANSFORMATIONS: THE TRUE CHALLENGE OF CONTINUOUS QUALITY IMPROVEMENT.**

## Service

# Attending to customers

*You cannot over-attend to your customers in today's competitive marketplace.*

**FIVE YEARS AGO, when asked whom they admire most, British school children named Richard Branson — right after the Pope and Queen Elizabeth.**

A secret of his success was obsession with customer satisfaction.

On boarding a cross-Atlantic Virgin flight, his biographer, author Jim Jackson found, "He would first visit the cockpit, spend the next two hours with the cabin crew, then devote two hours to discussions with the in-flight supervisor and pass the rest of the time striding up and down the aisles talking to the passengers."

Copies of the visitors book aboard each aircraft, in which passengers are invited to write their comments, were forwarded to Branson so that he could write back if necessary.

Every month, he called 50 or so passengers to apologize for a mistake or comment on an idea.

Station managers across the world had standing instructions to call him if an aircraft was delayed for more than two hours.

If a delay was particularly severe, Branson telephoned the departure lounge and asked the staff to pass on his apologies to the passengers.

"These customer service calls were so out of the ordinary that many of the people called at home first didn't believe he was the chairman of the Virgin Group but instead thought he was a practical joker, and some airport customers at first refused to believe that Branson himself made the call and dismissed his message as a company ploy.

But Branson persisted and his airline succeeded in a highly competitive industry.

Moral: You cannot over-attend to your customers in today's competitive marketplace. **BAI**

SOURCENOTE: Tim Jackson **RICHARD BRANSON, VIRGIN'S KING: INSIDE RICHARD BRANSON'S BUSINESS EMPIRE.**

## Use routine tasks to increase motivation

### HERE'S A FUN WAY to get people to work more carefully.

At Microsoft, a tedious task in creating software is doing the "daily build."

The person doing the daily build takes all the different code from a group of programmers and puts it into one computer program, making sure it all works together.

For years this task was performed by an entry-level person and regarded as grunt work.

Then a manager changed the system and, in so doing, made the process more efficient, says Microsoft manager Julie Bick.

"The manager gave the daily-build responsibilities to the people writing the code. Each day all the programmers would give their code to one **buildmeister**, who put it all together.

If the code wasn't compatible, the person whose code clashed with the rest became the **buildmeister** until someone else's code didn't work properly with the program.

"In the summer of 1996," Bick relates, "the **buildmeister** was also given an enormous zucchini, which soon became known as the 'zucchini of questionable freshness,' sometimes, with a fake nose and glasses, to keep in their office until the new buildmeister was named."

This light-hearted system had several beneficial results:

- No one wanted to be the **buildmeister**, providing extra incentive to hand in quality code that didn't break the system.
- The unpleasant task was shared by everyone in the group.
- Because the programmers disliked being buildmeister, when their turn came, Bick says, "they tried to think of ways to automate the **buildmeister's** task and did so successfully."

**Suggestion:** If a tedious task is shared, very often those responsible for the work will figure out a more efficient way to do it. **BAI**

**SOURCENOTE:** Knowledge in Business Strategy.

"I like pigs. Dogs look up to us. Cats look down on us. Pigs treat us as equals."

— Sir Winston Churchill

## Team building

# Warren Bennis' simple secrets of very successful team-building

*No more Hi-Ho Silver —The day of the Lone Ranger-style individual problem-solver is over.*

### PEOPLE WHO OWN BUSINESSES and those who manage them love to talk about teams and teamwork. I regard those as hackneyed phrases... stale formulas that miss the importance of what great groups are all about.

Collaboration is a necessity in today's constantly changing ... global ... ultra-technologic business world.

Great groups are made up of people who collaborate so creatively that they overcome all obstacles ... and make the enterprise they are engaged in a success.

**Example:** The scientists and administrators of the Manhattan Project that built the first atomic bomb made up the greatest group I can think of.

They invented solutions to tough problems as they went along. They achieved the unachievable.

#### Practical steps

There's no guarantee every manager can create a great team, and no guarantee that every team will achieve greatness.

But there are ways to maximize the likelihood that you can create a group that becomes great...

• **Recruit top talent.** The first task in creating a great team is recruiting the most talented people possible.

Once you have them on board, you can accomplish anything—build something new... launch a new product or a new idea... take a step that no one else has dreamed of taking.

**Effective:** Celebrate the talent of others. Don't be afraid to recruit people who are better than you are ... people who can fill in the gaps in your expertise.

Hire people who see things differently. Hire those who want to know the next thing ... not the last thing. Great people tend to be broad generalists, not narrow specialists.

They are problem-solvers ... rather than bureaucrats.

The more you can position your business as a place where truly exciting things are happening ... the more that great people will smell that excitement and want to come to be part of your team.

• **Select team leaders ... carefully.** Great teams are made up of people with unique talents working together as equals.

Yet in every great team there is one person who acts as maestro ... the leader who provides the dream and orchestrates the efforts of the others to achieve that dream.

**Challenge:** The leader of a great team must invest a

leadership style that suits the group.

The standard models — especially the command-and-control style — no longer work.

You can't train talent to be obedient. Great groups are vocal and argumentative. People in great groups feel liberated from the trivial and the arbitrary. They are irreverent. They question authority.

**Leader's role:** Make necessary decisions without unnecessarily limiting the autonomy of the rest of the group. Act decisively, but never arbitrarily. Keep the group focused ... to eliminate distractions. Keep reminding people of the significance and the consequence of what they are doing. Keep the group's spirit up in the face of setbacks and stress.

• **Put the right people in the right jobs.** Great teams don't operate on the basis of rigid hierarchies or on chains of command that are imposed from above. Great teams orchestrate themselves.

Typically, people know what they are good at. There are jobs within the team's responsibility that need to be done. Eventually the people who are good at doing those jobs will wind up doing them.

**Example:** When I was a university president, I asked everyone on my staff three questions...

• What do we want to do?

• What are the important functions in doing what we want to do?

• Who are the people who are good at carrying out those particular functions?

**Strategy:** I knew that once I got those three questions answered, we would be in business ... and we would have a great team.

• **Create vision ... and continuous inspiration.** Great teams think they are on a vital mission. They are filled with believers, not doubters. They believe that what they are doing is really going to matter ... that their work really will make a dent in the universe.

**Caution:** You can't inspire this attitude in people. You can't just give a halftime pep talk and expect people to go out and super-achieve for you.

At the heart of every great team is a dream.

You—the leader—must create that dream and believe that it truly is important to win the game... to get the project done.

Then you must keep making that dream a top priority ... convincing your team again and again that each of them is working toward a goal that has significance.

**Bottom line:** A powerful enough vision can transform what otherwise would be drudgery into inspired sacrifice.

The scientists of the Manhattan Project were willing to put their careers on hold because they believed the free world depended on their doing so. **BAI**

**SOURCENOTE:** Warren Bennis, PhD, is distinguished professor of Business Administration at the University of Southern California. He has advised four U.S. presidents and consults frequently with major corporations and organizations. His most recent book is **ORGANIZING GENIUS: THE SECRETS OF CREATIVE COLLABORATION.**

The Institute for Independent Business is a registered British educational charity (No. 1050454) founded in 1984, and now one of the world's leading international networks of business advice providers. All recipients of **BUSINESS ALERT** are included on our free subscription private database to ensure continuity of ongoing editions. That being a private list, their names are not and will not be used for any other purpose or in any other way. Please advise your IIB Accredited Associate if you wish to be delisted and no further copies of **BUSINESS ALERT** will be provided to you.

Copyright © 2004 The Centre for Business Development. Printed and distributed under license.