

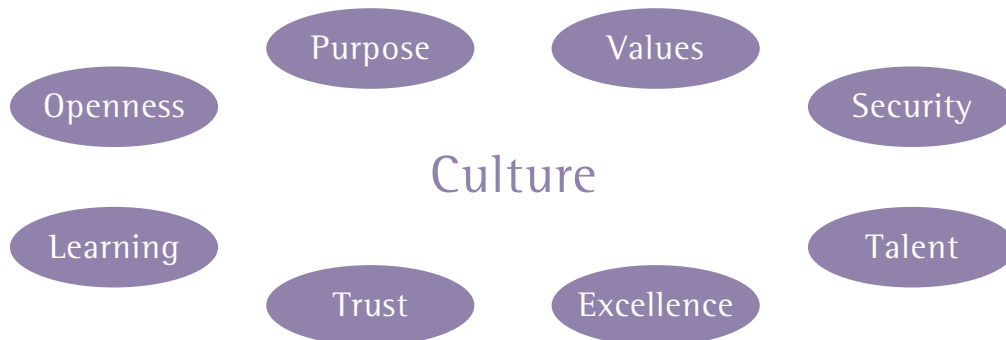
Appreciating Your Intangible Assets

Create a Culture of Well-Being to Improve Profitability

By Paul Werder

In our white paper, Profitability and Well-Being: Measure What Matters Most, Mark Anielski and I make the case that having a strong culture is an immensely powerful approach to improving your profitability.

We also provide you with an organizational improvement process to measure and strengthen the intangible assets that, in my experience, constitute a healthy culture. These assets are:



This companion article will provide you with a deeper understanding of why these eight intangible assets are what high-performing people most desire in their experience of work. Each section will provide you with examples of how these intangibles come to life and why they are the foundation of a healthy business or non-profit. Ultimately, you will realize that these assets are interrelated.

Once you have read through this article and sense the opportunity of pursuing culture-driven business success, I suggest you review the Profitability and Well-Being article for more clarity on how this process can work for you.

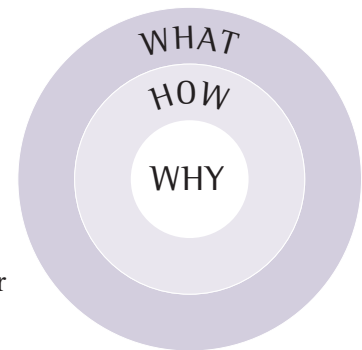
PURPOSE

Your organizational purpose is vastly different from your mission. Simon Sinek differentiated a corporate mission statement from its purpose in his TED Talk called “Start with Why.” A good mission statement does a great job of defining what business you are in. It is a necessary aspect of your business and belongs on your website. However, mission statements are often lengthy and uninspiring for the sake of being accurate and complete. Simply put, a mission statement does not energize your employees or strengthen your culture.

Your purpose statement describes why you do what you do. It captures the cause that you believe in and answers the question, “Why do you exist?” These statements are shorter, inspiring and do not attempt to explain what business you are in. For example, LionHeart’s Purpose is “Growing business success and well-being and happiness!” Our mission is to facilitate “Culture-driven business success through stronger cooperation, leadership mastery, and exceptional execution.”

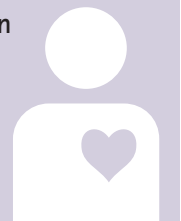
If they both sound good, what is the difference? People are moved most deeply by the reasons you go to work every day. Your purpose reflects who you are and provides more meaning than what you do for a living. Think about the person who simply wants to talk about what they do or how they do it. It gets tiresome rather quickly. However, when you are expressing passion for a cause that may fill a void in someone’s heart, you will find people leaning in and wanting to hear more.

In “Start with Why” Sinek says that most businesspeople are focused on what they do and how they do it without understanding their core belief or purpose that drives behavior. They have not yet found the deeper meaning that transcends profitability. Money is a big motivator in business, but it often falls short of long-term inspiration. He draws three concentric circles as illustrated here. Sinek then goes on to describe how Apple was one of several well-known success stories that occurred from working and communicating from the inside out or starting with why.



My own business journey mirrors the importance of a strong purpose. I became too sick to keep my first professional job at age 27. The culprit was stress from my lack of emotional intelligence. My awakening resulted in a more comprehensive view of success so I would not forget these lessons myself. The silver lining is that, when clients engage me, my passion for well-being is woven into my organizational development expertise.

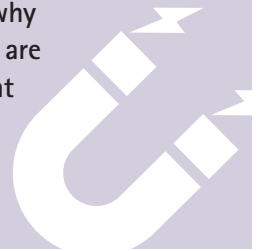
The good news is you also have a core purpose. Your heart is a reservoir of inspiration that can guide you to grander and more meaningful possibilities. To discover your core purpose, you must reach beneath our societal emphasis on activity and outcomes. Otherwise, your “why” can get lost when you are in constant motion. But it is never too late to take a breath and discover your inspiring purpose.



You can begin by exploring some of the most memorable moments in your life. In his book, *The Highest Goal*, Michael Ray illuminated how people who move beyond ordinary success live for an intangible aspiration that has meaning for them. His key insight was that our high point moments in life are great clues to what we live for. His approach is an effective way to help you arrive at a good first draft of your personal purpose in just a few hours.

Once you become aware of your personal purpose and learn to articulate it clearly, good things begin to happen. You feel elevated beyond the mundane activities that would otherwise consume you. You use it to make better decisions that keep you focused on having more of the high point experiences that initially informed your purpose. You will also use it to summon up the wisdom and courage to weather difficulties that might have derailed you prior to clarifying your purpose.

Ideally, you then align your own purpose with the organizational purpose that clarifies why you go to work every day. As a leader you will attract people who complement you and are energized by your purpose. Your ability to align an organization around the all-important "Why?" will strengthen your culture. Additionally, you will find that a well-aligned culture will make it easier to attract and retain customers who are a great match for your organization's purpose.



If your organizational purpose is missing or unclear you have an enormous opportunity to improve your culture. You will find it easier to rally your team around financial goals that are driven by a powerful purpose. Your people want meaning as much as they need money. When you harness their energy with both, you have an awesome blend of inspiration and motivation.

Ideas & Action Items

--

VALUES

Your organizational values are the character traits you establish to guide the behavior of your employees towards virtuous and valuable outcomes. They describe the best aspects of your people's intention to work together for the betterment of all concerned. You will find much evidence in the work of Jim Collins (Built to Last and Good to Great) and Richard Barrett (Building a Values-Driven Organization) that values-driven organizations outperform those that cannot make that claim. For example, according to Ernst & Young, 55% of the Financial Times Stock Exchange 350 companies have seen a 10% increase in operating profits driven by their investment in a values-driven culture.

Unfortunately, there is often a vast discrepancy between an organization's "espoused values" and their "values in practice." I worked with one company where the CEO was thrilled when I assisted his executive team identify a meaningful set of values at his request. However, over time I realized his enthusiasm was primarily focused on how these values would strengthen his image. Unfortunately, his true colors showed up dramatically when I respectfully attempted to share how his leadership behavior could have better matched the values after a tense meeting. He never spoke to me again.

Your values are not part of your brand or marketing efforts unless they are real. They are only real if they come from your heart and reflect what you genuinely believe in and are willing to stand for. They must inform and guide your toughest decisions. This can only happen if you embrace them as a non-negotiable foundation for employees when they are making decisions and setting priorities. They will come to life in two ways.



First, your de-facto existing values are likely hidden in the many moments of brilliance that your people experience on a regular basis. You uncover them by asking your people to share their high point experiences when they have seen a colleague doing something truly exceptional for a team member or customer. When people tell their stories of remarkable effort, they use energizing words that inspire their colleagues. These words point to what your people truly value. As the same words emerge in story after story you begin to identify the core values the organization is already embracing in its best moments.

You can also find your most important values in scenarios where they are missing. When you see a repetitive problem needing improvement, you can identify which positive quality would have prevented those problems from occurring. For example, in an organization where there is little follow through and people discuss their concerns without taking corrective action, "accountability" would be a great value to embrace.

To fully bring your values to life you will need to do the work to create a short list. No one will remember what they are if you include everything you believe in. You want to include input from your entire organization, especially your top performers, to begin the process. However, your leadership team must agree upon the 3-5 values you are willing to bet the company's success on. Adding a short phrase or set of behaviors in bullets to clarify what you mean by each value is also worthwhile.

For example, LionHeart's values are simply:

- Integrity – doing what is best for all concerned no matter what
- Authenticity – owning our strengths and weaknesses as real human beings
- Lifelong Learning – being coachable from everyone and everything all the time

Ongoing dialogue sessions with everyone are crucial. In time, you will need all of your people to fully understand what each value is asking of them, and how to use your values to support your purpose and mission. This is not a “one and done” training exercise; it is an ongoing aspect of your culture improvement practice. You will know you are being successful with your values when they are referenced in meetings and become part of the “conversational atmosphere” that replaces complaining, blame, negativity, and so on.

Ownership and accountability are crucial as well. Most organizations have people who are exceptional performers and are also difficult to work with. They are either unaware of how their behavior is impacting others or believe their contributions are so significant that their “rough edges” are irrelevant. This dilemma must be resolved to maintain the legitimacy of your culture and values.

While it can be tempting to look the other way when poor behavior accompanies great results, it does not work. You will eventually lose key relationships, both internal and external, when counterproductive behavior is ignored. And the collective energy devoted to putting up with, working around, and complaining about “so and so” is much more costly than you realize.

Protecting and strengthening your healthy culture requires elevating everyone's ability to hold onto your values when things go awry. You begin with yourself and lead by example. When you see or hear of someone violating your values, you offer them the gift of professional respect and feedback. You ask them if they are willing to improve their communication and relationship skills consistent with your values.



You assess if they are willing to be coached. When you have a meaningful connection and get a sincere response, it will work most of the time with someone who is a good match for your organization. When it does not work out and the counterproductive behavior continues, you are wise to address the person's impact on others. You must trust that your strong culture of positive performers can more than compensate for whatever is lost when you part ways with your mismatch in the most amicable way possible.

This may sound like a lot of work. Yes, but it is meaningful work that takes real leadership; and it is less work than dealing with the drama. Remember, challenging everyone to be exceptional is a worthwhile investment.

Ideas & Action Items

SECURITY

One of the entrepreneurs I was privileged to work with taught me an important lesson. His manufacturing company was a leader in the sustainability movement in the 1990s. He had started in his garage and now employed a diverse group of craftsmen who were immigrants representing 11 different languages on the shop floor. The owner had a policy that wowed his people: if you are in good standing in our company for 5 years you will receive a \$5,000 bonus for the purchase of a new home.

The best lesson was yet to come. The company had just weathered a shortfall of \$500,000 due to some poor management decisions. He was upset, but he opened the meeting with a powerful statement, "I called this meeting to remind us of the 1st principle of being a socially responsible business (long pause). To be a great socially responsible business we must be profitable."

Treating people well and rewarding them for doing great work requires a level of profitability that cannot be taken for granted. These leaders got the message. The owner inspired his team and did not make anyone wrong. He explained why profitability mattered. The manufacturing and engineering managers got it and rallied to more than recover their loss the following year.



Security begins with a value proposition and business model that merits sufficient profitability and is a good deal for the customer. At that same time, another client had invented a popular multitool that was outselling what they could manufacture. When I asked him why he had priced it as high as he did, he replied, "There is nothing else like this tool and I knew it would be popular. So, I also knew I would need to attract a lot of employees. I wanted to make sure I could afford to pay them a living wage."

Your people need to know there is a bright future for the company and an opportunity for personal stability or advancement for themselves. A recent Forbes article listed the Top 10 reasons excellent people left their jobs. Lack of being recognized for excellent work was #2 and feeling underpaid in the current market was #7. So, your compensation package is important to your people which makes it a necessary component of your culture of well-being.

Can you guess the #1 reason people leave their companies? They get tired of not feeling heard by their boss when they believe they have a good idea or bigger contribution to make. So, your managers need to serve as an open door to organizational improvements that are just begging to happen. They need to learn to listen with curiosity, encourage new possibilities, offer coaching to advance any viable opportunities, and ultimately reward them for their contributions.

You optimize people's sense of security with transparency and clear communication. Your leadership team can provide monthly updates on how well the organization is achieving your budget and annual goals. Your middle managers can proactively communicate with your employees about their career path, potential advancement, and what is necessary to achieve their personal goals.

As a leader you can demonstrate the courage to take calculated risks to open the door to breakthrough thinking. I once asked the CEO of a barely profitable business, "What would you do with the money if next year you had a \$1million profit?" He immediately replied, "I'd give half of it back to our

people.” Everyone on the Senior Leadership Team nodded in agreement, but in that moment, no one knew how to make it happen.

The CFO took that comment to heart and came back to our next quarterly culture improvement meeting with a proposal. She said, “Our survey comments are indicating how much our valued, loyal people are struggling because of our constant turn-over problem. I know our wages are below market and we need to give everyone a raise that’ll cost us \$500,000 we do not have.”

After a significant pause she added, “I suggest we go against everything I know as a CFO and give our people the raise before they’ve earned it. It will be a demonstration of our trust that our people will reduce waste sufficiently over the next year to recover that \$500,000 and more.” After a short discussion the VP of Manufacturing promised to make it a worthwhile investment. The outcome? The company recovered their investment in the next 4 months; and during the rest of that year, they earned another \$1 million in profit.”

An abundance mindset does not mean you are vulnerable to giving away the farm. It means you do not allow fear to constrict your best thinking and boldest initiatives. It means you focus on possibility and innovation as a path forward for everyone in the organization. It means you can challenge your people to show up and earn their way to a more secure future as they help you build an amazing company to work for.



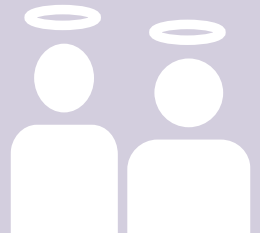
Ideas & Action Items

TALENT

"Get the right people on the bus, the wrong people off the bus, and the right people in the right seats." Jim Collins' famous quote from *Good to Great* is a commonly used refrain when it comes to talent. My only caveat to his quote is the "wrong" people are not to be held in contempt. They are simply not a great match for their seat or your culture, or both. You will find this is more common than you would expect.

Your work as a leader is to do what Jim Collins is calling for with respect and compassion. It serves no one to leave someone on your team who cannot learn to be successful and happy in their role. In fact, it is one of the worst mistakes you can make as a leader because it sends everyone the wrong message. You send the right message when you care enough about everyone's quality of work experience to coach a mismatched person up or out with dignity.

As you develop a stronger and stronger culture you will find there are good people waiting to find a new opportunity. The most talented people out there are often looking for a great company to work for. They will be interested in not only your compensation package but also your culture. Your employees are your best recruiters if they love working for you. They will tell their friends why they are happy in their jobs, and your good people will have friends who are also good people.



You do not need a team full of all-star leaders but having a few of them can make a huge impact. One of my clients hired a new VP of Operations with impressive credentials. He came to the company with great fanfare and high expectations. He invested the 1st month interviewing his 20 direct reports regarding what they needed in order to perform at their highest level possible. He took great notes and quietly noticed a handful of people assuming he was going to provide them with what they were asking for.

Instead, he challenged them, consistent with his belief that great leaders create more great leaders. He asked his already-busy reports to spend 1-2 hours per day for a month working on what they said was missing during their interviews. He called it their playbook and it included the processes that defined how they were to enhance their management systems.

Our VP started to hear some grumbling. The VP listened to his people's concerns but kept up with his promise that their extra work would be worth their effort. He also noticed that the grumblers were the same people who had been expecting him to solve their problems for them.

Most of his people, however, took his challenge to heart and used their playbooks to improve their execution. The new VP then had his people read a book, *The 4 Disciplines of Execution*. It articulated the management system he had been successful with elsewhere. He offered it as an enhancement to what his people had been creating for themselves during the past few months. Our wise VP got his team to embrace this new approach because their extra effort now made total sense to them.

Results soared and within a year or so the four grumblers had departed. They were unable to match the VP's respectful, yet no-nonsense, style of empowering leadership. The enthusiasm of the VP's remaining managers was palpable as they shared what they were learning about a positive approach to leadership. Interestingly, the work itself was not at all glamorous. These managers loved the way they worked together much more than what they did all day long. He had the right people in the right seats who were totally jazzed to be part of an exceptional experience of work.



Developing an awesome team of leaders may be easier than you think. You challenge people with a positive “can-do” approach to improving performance. You ask them to define what is missing so they can begin to put it into place with a reasonable amount of your support. You teach them how to build the system they need to achieve ever-improving results. Then you appreciate and reward them for all the good news they create.

You provide them with leadership training that strengthens their know-how, as well as their enthusiasm for learning. When necessary, you let those who are not a great match to your desired future find their way off your bus with as much dignity as possible. Once your team of emerging leaders is in place, you can challenge them to repeat this process with those they oversee until you have an organization of great people who “just happen” to be self-responsible high performers.

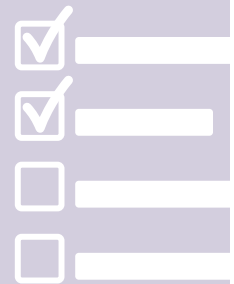
Ideas & Action Items

EXCELLENCE

Excellence occurs when a united group of people work well together in pursuit of flawless execution for the ease of everyone. The difference between process flow clarity and unclarity shows up in your people's experience of calm or chaos. Without clarity people work in different directions, suffer through ineffective hand-offs, and often resort to heroic hair-on-fire efforts as the norm. It is a perfect recipe for a stressful, us/them, silo-driven culture of separation. This will bring the worst out of your people, and the best of them will often leave for a healthier work environment.

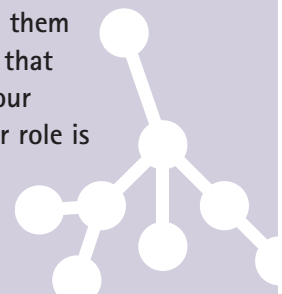
As an entrepreneur you need simple, documented, agreed upon systems and processes that clarify how the work ideally flows through your business. This requires a balance between “not too little” and “not too much” documentation. Your people will struggle without a clear roadmap for working together effectively. They will also choke on an overly comprehensive set of instructions that are impossible to keep up to date.

Your people also need to have the communication skills, discipline, and personal accountability to honor and improve those processes and systems whenever necessary. Your process and procedure documentation are necessary but insufficient. Your people will need to have a continuous improvement mindset. They need to be ready, willing, and able to renegotiate how work gets done when atypical problems and opportunities arise. This requires respectful speaking and listening when emotions are high and everyone is overly focused on getting their own jobs done. They need to function as a team and not allow stress to override what is best for everyone.



You will most easily achieve ownership of your processes when you empower the people doing the work to create them. Your people want to make it easier and more efficient to get their work done. They know where the gaps and waste are from experiencing it every day. Without a directive from your senior leaders, however, your people doing the day-to-day work will likely be driven and consumed by the urgent, and unable to attend to what is more important.

You will need to challenge your people to invest the time it takes to create clear workflows between all the relevant departments. You will likely need to offer guidance or facilitation to help them through their learning curve. You can make it a meaningful team-building experience that results in stronger engagement. Once your documentation is complete, you can ask your design team to surrender to one of themselves to serve as the process champion. Their role is to ensure the process is honored and updated as needed. One CEO I assisted with this said, “This renegotiated process will pay us back tenfold next year compared to the cost of getting it designed and in use.”



When you have a core-team redesign a process for a larger group, buy-in becomes even more important to a positive outcome. A VP in an aerospace company once asked me to facilitate a half-day meeting with 50 high level engineers. Two younger, less experienced engineers had spent over a month documenting a new process that could reduce the time it took to test and integrate a

satellite by 35%. The VP was sold on this new approach but feared his older, long-term people would dismiss it as preposterous.

We started the half-day meeting with a 90-minute conversation about the difference between our "pre-existing assumptions" and what was about to be proposed. Then the two young engineers shared their new process, and we had a short dialogue about the proposal's upside and potential risks. Finally, we asked if anyone was unwilling to give this new approach a trial on their next satellite. Silence, then raised hands, gave us the go ahead; and as predicted, the next satellite was completed in 19 weeks, as opposed to their best-ever 31 weeks.

The irony of organizational excellence is often the individual excellence that impedes collaboration. As indicated in the satellite story, your smart, high performing people have been well trained and rewarded to achieve excellence in their own work. Successful individuals can sometimes argue over differing but equally valid perspectives with closed minds. Ego-driven power struggles then ensue and those with louder voices can dominate those who are quieter. They, in turn, often take their grievances underground to remedy their hurt feelings.

Being right and proving one's value can get in the way of listening with an open mind and cooperation. As noted above, a great process is necessary but not sufficient. You must also have the leadership and coaching skills to create teamwork where everyone feels valued. You will need to help people become aware of their ego struggles and have them learn to return to their team-first highest intentions when stress overwhelms them.

A CEO once asked me, "Am I supposed to be a psychologist when I manage all of these egos?" My short answer was, "No, but you do need to teach them a stress relief practice and how to develop cooperative relationships that strengthen everyone's self-esteem." You will also need to develop a team spirit and a positive culture that is strong enough to supersede your people's ego tendencies. You begin all of this by making sure they know you sincerely care about them as individuals and as a group.



Your toughest assignment as a leader is to elevate your people's identity. When you lead from your heart you will have more meaningful connections with your people. You do that by celebrating and building upon what is already going right in your organization. You recognize them both individually and collectively. You challenge your people to let go of their own agendas and preferences in favor of the synergistic creativity that is more exhilarating than any solo win. You help them learn to love working with one another as a team.

When you help them learn to love working with one another, excellence is inevitable. Your organizational purpose and values create the foundation for their enthusiasm for excellence; and your people's successful team-driven work products will amplify that enthusiasm in their day-to-day experience. Once your organization reaches this "winning team identity" your newfound level of excellence will become one of your most valuable assets.

== Ideas & Action Items ==

TRUST

In his book, *On Becoming a Leader*, Warren Bennis proclaimed, "Trust is the lubrication that makes it possible for organizations to work." That is common knowledge, but how many of us struggle with figuring out how to bring that principle to life? As a leader in your organization, you will be wise to work on your own trust issues so that you are prepared to assist your people with theirs. Otherwise, you will eventually see reflections of your trust issues sprinkled throughout the organization.

Trust begins as an inside job. Initially, we must all find the confidence to do our jobs well, ask questions, make mistakes, and learn as we go. This occurs best when we invite coaching from others, negotiate priorities effectively with those we serve, and take good care of our own well-being. This allows us to consistently perform at our best and feel satisfied with our own contribution. Otherwise, we can become vulnerable to overcommitting, underperforming, and impairing our ability to be trustworthy.

Being trustworthy involves integrity, authenticity, and transparency. Trust is the cornerstone of your character and it is earned with your performance and ability to honestly discuss what you can and cannot do. You earn trust by being straightforward with your intentions and consistently doing what you say you will do, when you say you will do it. It is strengthened by being coachable and lost with defensiveness, blame, and excuse making.



Fear is likely at the source of your own lack of trust in yourself. In fearful moments of uncertainty, you will be reluctant to trust yourself or others. In these moments you will not likely be able to step into your strengths, or even talk about your inclination to hesitate in doing so. The discomfort of avoidance, however, can become your cue to call upon your heart as your source of strength. Ironically, only through fear can you find the courage to believe you have what it takes to be successful and know the answers are within you.

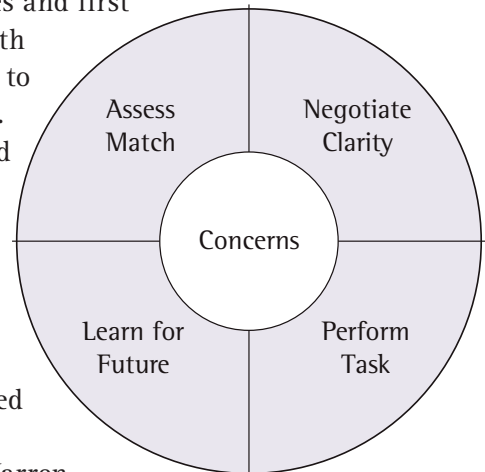
To overcome these fears be honest with yourself about the knowledge, expertise, and attributes you do have, along with the learning curve that is still ahead of you. All of us must dig down deep enough into our hearts to acknowledge and own our existing strengths with humility. This will allow us to be ready to learn what is next. None of us needs to have all the answers. We simply need to trust we can find them through quiet reflection and dialogue with those we respect.

Your powerful humility will also help you learn to trust others. Once you are at ease with not being a finished product of perfection yourself, your vulnerability will allow others to feel safe to be open with their uncertainties. This safety will provide a great opportunity to develop trust with others when both of you put your learning curve concerns on the table. You can have one honest conversation after another to improve performance and that is the foundation of building trust with others.



You begin building trust by having thorough conversations about what is important to each of you when it comes to getting things done together. Once you understand and care about what is important to one another, you can consider both of your needs or concerns to be part of the deliverable when working on an assignment. This allows you to do more than get assignments done in a transactional way. You are also actively developing a great work relationship.

The four phases of a workflow conversation are also key ingredients to strengthening trust with others. This workflow model was pioneered by Fernando Flores and first published in 1992. This practice is an empowering way for both the person making a request and the performer of the request to move through four distinct aspects of the larger conversation. This workflow practice is further clarified, along with tips and challenges, in the article called Building Trust in my book, *Business with Heart: A Better Way To Go To Work*.



The clear, concise language of workflow conversations dramatically improves trust and reduces wasted time, energy, and frustration. The discipline it takes to use this practice is akin to the type of discipline needed for following a well-articulated process and has the same benefit of reducing chaos and unnecessary stress. Given the quote about lubrication from Warren Bennis, and your role as a leader committed to a culture of well-being, this best practice could become your standard practice throughout your organization.

Your largest obstacle will again be fear. When sharing this workflow practice with an IT department once I had a highly qualified professional stop me in mid-sentence to say, “Wait a minute. I have spent my entire career figuring out creative ways to not make any promises or clear agreements that someone could hold me accountable to. That stress is just too much for me.”

What did this person really need? He needed to own up to the cost of his obfuscating language...and someone to tell him he was better than that....and a commitment to learning the new practice.... and a safe environment that acknowledged genuine effort and continuous progress...and someone to teach him and challenge him to upgrade his professionalism....and finally someone to hold him accountable to communicate more effectively.

How did this work out? His boss was not prepared to support his growth in this way. Eventually, the IT professional departed the company for another job. His boss had someone hired above him who could make a more complete contribution to the company’s culture and performance. Certainly, it was a missed learning opportunity for all concerned. I trust you can do much better.

Ideas & Action Items

LEARNING

Peter Senge popularized the concept of businesses becoming learning organizations in *The Fifth Discipline* published in 1990. Then, in 2014 Senge offered this commentary in the Forward of *Flourishing Enterprise*, “How do we recognize and cultivate people’s innate concern for matters beyond themselves? Practices that shift how we think and interact will help people both in getting things accomplished and in shifting the place from which we operate in our accomplishing...”

We all have a natural hunger for learning. Learning offers us an expansive view of what is possible and how we can achieve those possibilities. Learning provides us with joyful, confidence-building moments of discovery that add to our experience of happiness and well-being. Unfortunately, Senge saw many of the same obstacles to organizational learning in his *Flourishing Enterprise* comments twenty-four years after his own book was published.

So, why has our learning progress to date been slow and steady versus revolutionary? Well, learning has been revolutionary you might assert, “Look at the field of technology where none of us can keep up with the next breakthrough in how we communicate electronically!” Indeed, I have noticed. Yet, I still wonder if there is a huge discrepancy in our learning acumen that we have not yet reconciled.

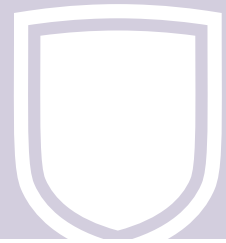
Our learning needs to go deeper than technology and technical expertise. We need to accelerate our learning about emotional intelligence, teamwork, and leadership. Our focus on learning technology and the technical aspects of any job is externally oriented and centered around adding knowledge about how our tools can assist us be more productive. Learning about ourselves and our relationships is internally focused and centered around who we are as human beings and how we can improve ourselves to work with one another more productively.



We need both types of learning, but one requires a personal vulnerability that has not been woven into our societal business norms. Let us assume that a typical technical expert, whether wielding a hammer or using a software package, is likely more than happy to discover a new tool to improve their technical expertise. However, focusing on yourself and your organization’s human potential learning is a more complex challenge that many people shy away from. So, why is a solution to this dilemma a huge opportunity in almost every organization?

Was your academic experience like mine? I was rewarded for having the answers and we were ranked from 1st to last in my class with each report card. Our society places a heavy emphasis on winning and losing. Competition is the name of the game in academics, athletics, and business where we learn much about who we are and how well we measure up. With this being a mostly unexamined frame of reference, many of us do not readily share our own insecurity and lack of competence when it comes to communicating with others.

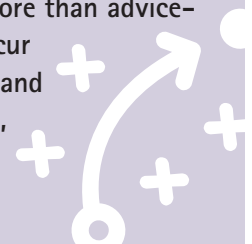
To accelerate your human potential learning you will need to set aside your ego. Your obstacle again is fear. The fear of looking foolish or being found out to be lacking in some way. Many of the brightest, most well-educated professionals I work with talk about having an imposter syndrome, even though they have regularly been at the top of their class. As a leader you will need to create a safe environment for people to put down their shields. Then they can authentically step into the unknown when it comes to emotional intelligence, leadership development, and teamwork skills.



You will need to start with yourself and show the way as a work in progress, not a finished product. The good news is that leaders who authentically own their strengths and their personal learning curve are more highly respected than those who put on a façade of having it all together. The other good news is there are easy ways to begin to accelerate this learning journey for yourself and others.

There are many exceptional books available to help you discover current best practices and new ways of thinking. For the price of a pile of books and 30 minutes each week you can rapidly advance your progress with your team. One of my clients reads one book after another one chapter at a time. Her direct reports gather on the phone every Thursday morning from across the country. Their enthusiasm and practical application conversations are stunning. They are well on their way to becoming a learning organization.

However, your best opportunity to become a learning organization is to move beyond classroom training and develop a culture of coaching. Coaching is a distinct capability that can coexist with hierarchy and supervisory relationships when trust and mutual respect are strong. Coaching is much more than advice-giving. It involves asking questions to help others find their own answers. It can only occur with permission and a genuine willingness to be coached. These two practices, coaching and being coachable, are well outlined in *Business with Heart*. When embraced and practiced, they will allow your people to consistently learn about their strengths, as well as their adverse impact on others, from their trusted colleagues while being in action together.



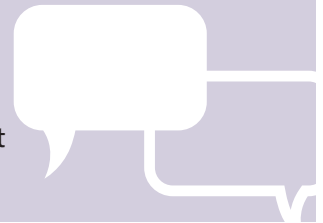
Imagine how your results will improve. A vast majority of the unproductivity and complaining currently happening in your organization, could be transformed into respectful learning conversations that will improve your performance. Your people can learn how to become both students and teachers in your organization for the sake of improving performance. The bottom line is this: when your people are prepared to speak up respectfully and help one another see their blind-spots, learning about teamwork and leadership will be an everyday occurrence.

Ideas & Action Items

OPENNESS

One of my all-time favorite books on business is *Overcoming Organizational Defenses: Facilitating Organizational Learning* by Chris Argyris, Harvard University, 1990. The idea that resonated with me so deeply was, “Everyone knows what the underground dynamics are; they are taken for granted. Also taken for granted is that the underground dynamics are undiscussable, and that their undiscussability is also undiscussable.”

There are likely dozens of important conversations that should be happening in your organization every day that never occur. The substitute conversations often occur in the parking lot after the formal session in the conference room is over. We love to talk openly, but only with people who agree with us. We form subgroups and expend a great amount of energy sharing our concerns with those who cannot do anything about them. Argyris called this “skilled Incompetence” meaning we get incredibly good at not addressing or resolving important problems.



Why do well-intended people withhold some of the truth much of the time? People are fearful when their confidence is low, and the stakes are high. An early aspect of emotional intelligence is becoming aware of our fears and tendency to control our environment. We want to avoid feeling threatened or embarrassed. Without a strong commitment to learning, we develop expertise at dancing around our emotions and the emotions of others.

It is easier to quietly shut down or talk non-stop around the edges of a hot topic than it is to speak up respectfully. With either approach, we are avoiding meaningful, controversial topics while pretending to be straightforward. When we do not yet know how to respectfully tell the truth in what is meant to be a friendly environment, we inadvertently reduce the collective intelligence of our team and bypass real problem solving. We forget that we are doing that to ourselves, and then, cannot figure out why things are not going so well.

The unintended consequence of these underground dynamics is overriding your purpose and values with an unspoken counterproductive code of conduct. This is the source of much frustration as your inability to be real and address important issues makes it harder and harder to be successful. The elephants in the room serve to drain the life out of the conversations in that same room. This vicious cycle chases some of your best people out of the organization for more fulfilling opportunities. Those who remain lose heart and learn to save face while playing politics.

To build a culture of well-being you must learn to talk about your underground team dynamics authentically and respectfully. As a courageous leader with a strong heart, you will need to open the can of worms. You begin by acknowledging that in every business-as-usual group there is a tendency to censor language for the sake of protecting relationships. You declare that you desire a stronger culture than normal and challenge your people to begin that journey with you.



Your relationships need to be strong enough to be real with one another. You advocate for your team to learn to find the honesty zone between excessive diplomacy and nasty accusations. You take a stand for learning to respectfully ask the tough questions in support of one another's success and growth.

You begin with an open dialogue to explore the patterns of communication you believe are contributing to your counterproductive code of conduct. Once you name your unproductive dynamic you can generate compassion, as opposed to blame, for what has prevented your people from speaking up. Ideally, you end up laughing about how much you have accomplished in spite of yourselves.

You ask everyone to be coachable and set the tone by being coachable yourself. You can make this learning most relevant by debriefing a big decision or initiative that was unsuccessful. The debrief allows you to examine how the communication dynamic inhibited your success. You responsibly uncover the assumptions that contributed to the lack of rigorous discussion resulting in the unfortunate outcome.

You then create a new code of conduct that will generate respectful openness regarding your most important issues going forward. You experiment with a current challenge and assess how well you are living up to your new principles. You invest as much time as necessary to really feel the difference in how you engage with one another. Doing this regularly is time well spent because you are addressing issues in a new way and practicing how you can work together more effectively.

Once you have broken the ice and are communicating more openly you must ensure your culture has a strong focus on what is genuinely working well. The long-term remedy for the fear at the source of your underground dynamics is your people sincerely feeling appreciated and respected. This will support people to feel confident enough to own both their strengths and their weaknesses, and readily commit to ongoing improvement. Feeling respected is the cornerstone of being coachable in a safe learning environment.

Focusing on what is going well in your organization will provide your people with the freedom and enthusiasm to generate more good news. People love to be successful. They love to learn new ways to be even more successful. Your people will feel energized when you make it a priority to celebrate their wins. To bring this idea to life, I offer an alternative to the old cynical saying that "The beatings will continue until morale improves." Let me suggest, "The focus on what's going right will continue until speaking about what we can do better is easy and in demand."

— Ideas & Action Items —

CONCLUSION

You have likely seen your organization through a different lens when reading this white paper. I hope you have identified a list of action items to make some immediate improvements on your own. I also invite you to reach out to me for an exploratory conversation about partnering on a culture improvement process. Your leadership team is more than likely ready to take your organization to its next level of success! Paul Werder paulw@lionhrt.com or 503 659 3532.

Author

Paul Werder is founder and CEO of LionHeart Consulting Inc. (www.lionhrt.com). He has enjoyed teaching business people to lead from their hearts as opposed to their egos for over 35 years. He merges his traditional business acumen with mastery practices that assist small to medium sized businesses create healthy, empowering cultures. Paul is author of *Building Unity* (2007), co-author of *Flourishing Enterprise: The New Spirit of Business* (2014) and author of *Business with Heart: A Better Way To Go To Work* (2017). He is happily married with two grandchildren in Portland, Oregon.