

**Courage: The switch
leaders can pull
to ignite brilliance —
and accelerate progress in
matrix and alliance teams**

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The
Courage
to lead

Brilliance. Is it powered with courage to take you forward?

About the authors



Dr Merom Klein is principal architect of The Courage Institute's team mobilisation and strategy-execution methodology and the thought-leader who discovered the 5 Courage Factors. Merom is known for workshops that are active, interactive, uplifting and that jump-start or accelerate change initiatives that link leadership development with practical and immediate business impact. He earned his PhD at Temple University, USA.



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The authors equip leaders to build courage in matrix organisations, alliances and executive teams to solve tougher problems and achieve more aggressive objectives. Their workshops, coaching and human capital management systems accelerate strategy-execution and change management. Past and current clients include Johnson & Johnson, MRC-T, Alnylam, Infinity, Illinois Tool Works, Sanofi-Aventis, Epix, CIGNA, ARAMARK, Fonterra, Quaker Chemical, Abbott, ITI, SK, Merck, Lucent, Motorola, Intel, ING, Royal and Sunalliance, Millennium, Lockheed-Martin, Orion, KeyCorp, Rafa"el, GE Healthcare; The New Israel Fund, Archdiocese of Philadelphia; and the Pennsylvania DOT, Department of Work and Pensions in the UK, Health Canada and NASA.

In a survey conducted by IBM, Fortune 500 CEOs were asked to name the most important of all make-or-break success factors. Their answer? BRILLIANCE — to invent breakthrough advances and seize game-changing opportunities. Most CEOs said such brilliance is in "short supply" in their enterprises.

We agree. In most companies who engage us, we find reservoirs of untapped brilliance that lies dormant and untapped. Talent management deploys luminaries to the places where their insights are needed. Matrix structures and communication tools give them connectivity. But they need courage to throw the switch and convert ideas into answers and potential into real business breakthroughs.

In a famous experiment, a group of primates was socialised not to reach for the best bananas at the top of their cage. When a new primate entered the cage and tried to grab an off-limits banana, veterans punished the "brilliant" recruit for reaching higher than they had been permitted to do.

Like the primates in this experiment, many teams are accustomed to playing it safe, getting permission, waiting for directions, not overstepping their authority. They settle for mediocrity. They ride the trendlines to the "same old outcomes," without changing the game. And ridicule luminaries who dare to reach higher, think out of the box, ask tough questions or turn up the heat.

This white paper shows you how to build courage when you connect the right people on the right issues with matrix structures, alliance networks and cross-functional teams and ask them to boost their brilliance. To look beyond the easy or obvious answers and lift success above what old trendlines would consider "reasonable."

Courage may be inspired by a CEO who sounds the call and says, "We can do better than merely wishing for brilliance." But CEOs are powerless to be more than sponsors. Courage is built from the middle out, when team leads step up and orchestrate rather than wait and hope. It is built from the bottom-up, when luminaries raise red flags or propose solutions that can accelerate progress. And when we all set our sights on bananas that have been out of reach. Here is how. We invite you to read more and call for a dialogue.

Your CEO says, “March or die.” Does *that* flip the switch?

Dr C stepped up to the podium. He convened a town meeting so everyone could hear why transformation is enterprise-critical. His slide deck and vignettes showed that caregivers, regulators, payors, patients and investors would no longer settle for business-as-usual and that they had to change.

Dr C described new mechanisms of action and comparative efficacy standards, new partnerships and business development activities. Aggressive timelines, QA requirements and budgets. Matrix structures. And new performance management tools.

To conclude with a call to action, Dr C described the biggest test of courage he faced as a military doctor. During a lull in hostilities, he ordered his unit to tear down and move their field hospital to another hilltop. “For the time being, it seemed a lot warmer and safer to hunker down and stay put,” he said, “But our intelligence told us that we had to march or die. For ourselves and for everyone in our care. In our company we also have to march – or die.”

Dr C’s address was compelling and inspiring — for the luminaries who already “got it” and saw this as their opportunity to step up, shine and make a difference. They walked out inspired, fired up, ready to step up and do whatever it took to make it work. Unfortunately, only 30% of Dr C’s

audience had the brilliance to see around the bend and figure out what needed to be done, and the courage to take Dr C’s “march-or-die” imperative as an opportunity to be a pioneer rather than a threat.

The other 70% were unmoved. They were politely silent when Dr C asked for Q&A. After the meeting, on blogs and social networks, they unleashed their wrath. They branded Dr C as a reckless daredevil, out of touch with operational and pragmatic realities. They ridiculed his military record. They accused luminaries of kissing up to the boss. “Some opportunity,” one cynic wrote, “to destroy our company and derail our careers by chasing a dream.”

Over the next year, Dr C — and the 30% of the town hall attendees who “got it” — faced one big challenge. Mobilisation. To flip the switch and convert potential energy into kinetic energy. Break down silos. Find possibilities that no one thought of before. And embrace new benchmarks rather than saying, “That’s impossible.”

Dr C’s town hall meeting said, “The switch is on the wall.” It gave luminaries permission to experiment with other luminaries. But a strong business case and a pep-talk did not lift fearful, reluctant, entrenched sceptics higher. Flipping that switch took courage. From the orchestrators in each cross-functional team, not just from Dr C.

How high is your work group’s Courage Index™?

With courage, groups flip the switch and face adversity by moving toward the light rather than toward darkness. They generate more brilliant solutions, breakthrough ideas and executable plans when enterprise-success demands more, faster, better from limited resources, time and information. They pull bystanders into the action, to step up and make a difference. Does *your* work group have “the right stuff” to flip the switch?

Purpose: Does your team choose lofty, audacious, enterprise-critical goals or preserve entitlements?

- Do they exhibit business acumen to know what contributes to enterprise-success?
- Do they set the bar high enough?
- Do they commit to the entire balanced scorecard, rather than settling for trade-offs or compromises?

Will: Does your team choose hope, spirit and passion over complacency?

- Do they have a sense of urgency that generates joy and pride?
- Do they sustain energy and optimism, even in the face of setbacks or surprises?
- Do they maintain their concentration to deal with complexity or with details?

Rigour: Does your team choose proactive planning and co-ordination over carelessness?

- Do they reach out and co-ordinate with other functions, locations and partners?
- Do they develop best practices and make them stick?

- Do they protect safety by identifying risk factors and building robust risk mitigation plans?

Risk: Does your team choose to trust and empower each other rather than protecting self-interests?

- Do they negotiate for mutual gain rather than to get as much as they can?
- Do they let others get ahead or receive special honours or assignments without jealousy or jockeying for position?
- Do they trust each other to make good use of shared resources and information?

Candour: Does your team choose to speak and hear truth or get defensive?

- Do they respect and value diversity from different cultures and professional disciplines?
- Do they accept feedback, critiques and suggestions to sharpen up their thinking and upgrade their actions?
- Do they volunteer to share good ideas and ask helpful questions in a way that engages and makes others receptive?

If you were in charge, how high would you set the bar?

In every life sciences and healthcare investor conference, we hear the same story. New discoveries have to be first-in-class, best-in-class or both. New therapies have to deliver breakthrough results in a way that is safe, error-free and user-friendly — and that makes payors say, “We need this new product on formulary, even if it costs more than old products.”

At a recent BioMed Life Science Conference in Tel Aviv, Orbimed’s General Partner, Jonathan Silverstein, said that we are now in the post-Utopian era. Generous executives cannot insulate their teams from the new requirements. They have to ask tougher questions. Accelerate timelines. Push the bounds of science, engineering, technology. And be courageous enough to challenge, probe, ask and inspire — even if it makes some people uncomfortable.

According to marketing guru Seth Godin, healthcare and life sciences enterprises are not the only ones whose investors, payors and users demand better, faster, lighter, safer, higher-value solutions. Godin issued a stern warning to marketers about clever branding. Logos, colours, labels and slogans mean nothing unless teams on the frontlines and in the trenches are brilliant enough to deliver. Great inventions mean little unless the IP cannot be poached or your value proposition cannot be replicated. A Credo or reputation is not enough; living up to your promise is what counts — with transparency and data to prove your claims are valid.

Some industries are victims of their own success. After each breakthrough, payors and users declare, “Nothing less will suffice,” and set the bar higher. What was good enough before Air Canada installed pods or some clinics

installed open MRIs is now punishment. Disasters also set the bar higher, when we investigate and declare, “Never again.” What was good enough before Deepwater Horizon caught fire or before Merck recalled VIOXX is no longer an acceptable regulatory or safety standard.

Twenty-five years ago, when fax machines and walkmans were new technology, we equipped business leaders to set S.M.A.R.T. (Specific, Measurable, Relevant, Time-bound) goals. In those days, “A” stood for “Achievable” or “Actionable.” We advised leaders to keep the bar within reach. We told them to reel in luminaries and early adopters who were apt to overreach and overcommit.

In that era, change management meant, “Slow down. Make it comfortable. Give lingers a chance to catch up with brilliant luminaries. Give luddites a chance to complain and show them how you will address their concerns and protect their interests.” In those Utopian days, it was enough tweak and not disrupt the trendline.

In the post-Utopian world, the “A” in S.M.A.R.T. stands for **Aspirational**. **Aggressive**. **Audacious**. Teams are **Accountable** for S.M.A.R.T. goals that have never before been attempted, let alone achieved.

Not only does all this require more lumens of brilliance from teams who come together to solve tough problems and seize new opportunities. It requires a higher level of luminous efficiency, so less energy is required to wrestle down and solve key issues. And so less resource is wasted dealing with residual heat that can be generated if some team members get defensive or “stuck” because they are offended or put out by disrupting the trendline.

Of course, you ask your team for their “A” game. What does that mean?

S.M.A.R.T. goals are **Specific, Measurable, Relevant and Time-bound**. On that, we all agree. But the “A” in the formula is how high we set the bar. What benchmark do you choose when you ask your team for their “A” game. What’s **Acceptable** for brilliant luminaries can make lingers **Acrophobic** — and can make luddites **Apoplectic**.

Audacious. Awesome.

Set the standard as the best-in-class or first-in-class pacesetter. Own your niche.

Aspirational

Achieve sustainable success with all 4 balanced scorecard metrics — financials, customer loyalty, employee competence/engagement and operating systems.

Average

Meet or exceed industry benchmarks. Satisfy investors seeking a favorable ROE.

Acceptable

Save for a rainy day. Profit. Generate wealth to secure owners and contributors.

Adequate

Stay in business. Eke out a meagre profit. Provide a livelihood. Survive problems.

As a luminary, what moments of truth will test your courage?

The CEO of a medical device company said, "Our instruments are bulletproof. We have the most advanced engineering in the industry. Caregivers love us. Our market research says we should command a premium price. But our sales and marketing teams do not know how to sell without deep discounts."

To boost profit margins, the CEO recruited Harold as his new Head of Global Sales. In less than two weeks, Harold could see how sweetheart deals, deep discounts, extended terms and forgiveness on service and restocking fees eroded profits. To achieve quick wins, he issued clear directives to his sales team.

Their Regional VPs balked. "For over 20 years, we had the authority to make our own deals," one VP complained. "Harold insults us, takes away our discretion and makes it impossible for our salespeople to earn their quarterly bonuses. He expects us to defy the forces of gravity and price in the stratosphere."

Other Department Heads lodged similar complaints. In less than a month, Harold was on shaky ground. He was incredulous. "If the CEO is serious about improving gross margins," Harold said, "he needs to tell the dinosaurs in marketing, legal and manufacturing to stop second-guessing me and usurping my authority."

Since no matrix or cross-functional structure appeared on the official organization chart, Harold assumed that none existed. He seemed totally unaware of the partnerships he needed to forge and cross-functional teams he needed to mobilise — in the sales organization and the rest of the company. Oops.

A Harvard Business School study estimated that only 40% of all improvement initiatives are executed in a way that achieves the desired business impact. Even with a solid strategy, like this company's price-realisation initiative.

Other studies warn that only 45% of the brilliant luminaries who are hired to upgrade key functions are considered successes, one year later. Even when the luminary has the right know-how and experience and correctly sees what needs to be improved, as Harold did.

Promising strategies fail when the leaders of these initiatives, like Harold, view themselves as "Head of This" or "VP of That" rather than orchestrators of a complex, cross-functional network. They may be brilliant, but they leave others blinded or startled. And fail to draw them to the light.

What moments of truth might Harold have anticipated, if he had thought about networks rather than chains of command and defined his role as an orchestrator, rather than a luminary who could bark orders? If he saw that the CEO was not his only sponsor, he might have reached out to...

- The Marketing Head, who had been interim Head of sales and was a proponent of deep discounts to preferred customers
- A board member who took pride getting sweetheart deals for his favourite clinics and was embarrassed by the new pricing policies.
- The Chief Counsel of the parent corporation, who was incensed that 20+-year veteran VPs felt insulted and unempowered by a new Head of Sales.

Organisations need to mobilise & inspire, more than command and control

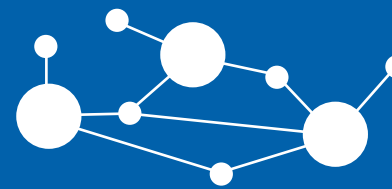
To solve more complex problems more quickly, we need to mobilise luminaries and get them working together to improvise, invent, stretch and sharpen each other's thinking. Solving the right problems is more important than who gets the credit. Pleasing the boss is less important than pleasing patients, prescribers, regulators, payors and investors. It is more important for managers to deploy resources from their business unit or functional group and empower them to work with others; it is less helpful to maintain control and insist that delegates remain loyal and tout the group's party line.

In silos and chains of command...



...each head of function issues orders to execute their part of the strategy

In networks and molecular teams...



...multiple functions come together to improvise and sharpen each other's work

- GMs of manufacturing plants, who used price concessions to appease customers who were put off by quality and shipping problems
- The CFO, who was just as concerned about inventory turns and receivables as he was about price realisation and gross margins
- The owner of the parent corporation who was annoyed that the controversy had reached him and that he was being asked to intercede

Suppose Harold had mapped the support network in the molecular cross-functional system who were affected by “his” pricing initiative. Rather than seeing it as “a sales management issue,” he could have brought his colleagues together, formed a cross-functional team and gotten out in front of the moments of truth when his efforts would be challenged. He could have enlisted his CFO to serve as a data-driven neutral mediator rather than throwing down the gauntlet to manufacturing, marketing and his own RVPs. At a minimum, he could have used blogs to reach out and ask, “What do you think?” And listened.

Instead of facing these moments of truth, Harold tried to work around them. He was incensed when anyone tried to be an advisor, seeing their input as a threat to his authority.

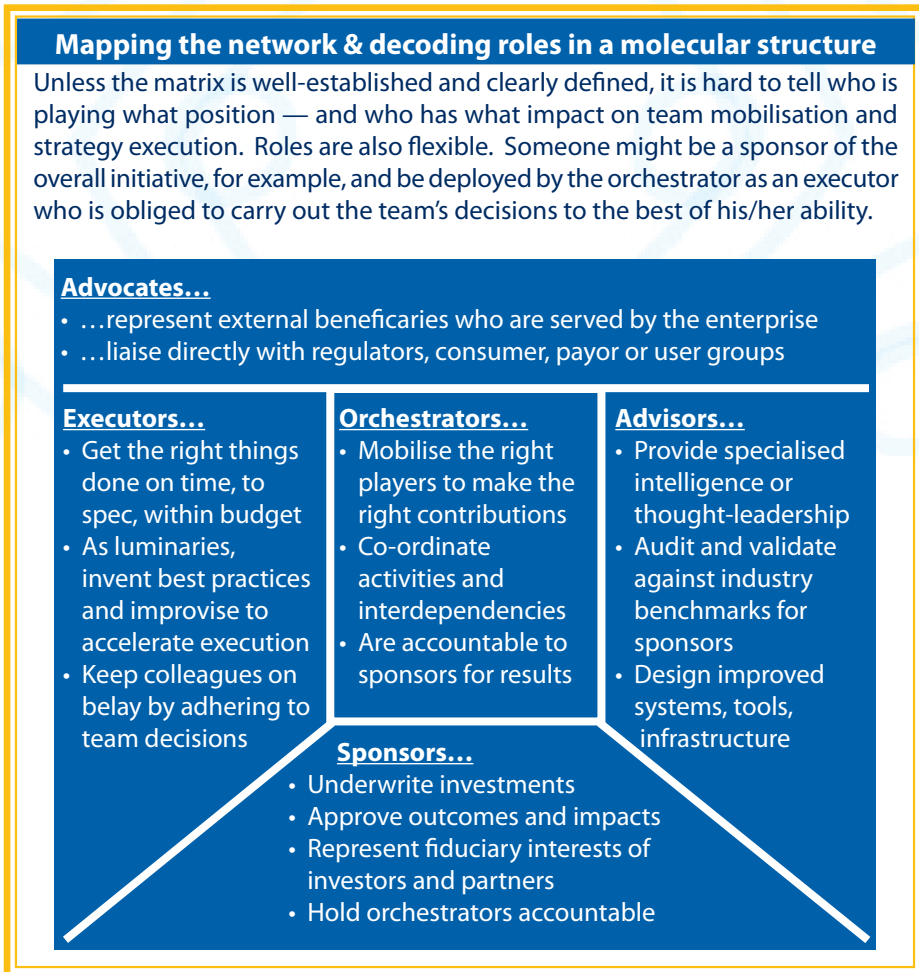
Since Harold avoided interaction and issued directives, he did not know that some Marketing Mangers and Regional VPs had already experimented with price realisation. With better orchestration, Harold could have avoided some of the landmines that they knew were waiting. He could have built on “wins” that others had achieved and tapped into their ideas.

He should have known that luminaries create more brilliance, not less, when they share the spotlight and join forces.

In organisations that are used to mobilising networks and working in cross-functional matrix structures, some molecular work groups have names, lives and identities — as standing product development teams, account teams, joint steering committees, review boards or executive strategy teams. Other ad-hoc groups come together for a limited period of time to address specific needs — like search committees, post-merger integration teams, launch teams, budget review teams, or the price realisation steering team that Harold eventually formed. Some teams have no name, and accomplish their business in a single impromptu meeting, a cross-functional lunchroom conversation, online blog or email volley. If you new to the company or orchestrating, you need to know what mechanisms exist for orchestrators and the moments of truth you will face when you tap into them.

As an orchestrator, you also need to map your stakeholders and define the contributions that equip them to bring the relevant brilliance to the issue-at-hand. Perhaps they are orchestrating other initiatives which should be co-ordinated to work in parallel for a synergistic double-bang business impact. Or have brilliance to share as advisors or advocates. Or legitimate fiduciary interests to protect as sponsors. Or perhaps you need them to march as executors, even if that requires them to suspend disbelief or step out of their comfort zones.

For leaders like Harold (and the other



Heads of This and That at his company) who are used to working in defined silos with a clear chain of command and an autonomous, independent line of authority, the shift to a matrix structure can be jarring. There can be a sense of loss, a feeling that your authority has been cut. And a sense of confusion, because it isn't immediately obvious who holds the keys to what.

Matrix structures and cross-functional networks are conflict-prone structures. They can feel uncomfortable, when diverse perspectives create a dynamic, yin-and-yang creative tension and sharpen up each other's thinking. Like Harold, you may encounter colleagues who are preoccupied with defending their turf and protecting their parochial interests, or showing you why efforts to break out of old trendlines are doomed to fail. All of these are moments of truth that will test your courage — and the courage of your colleagues.

Some companies, like Harold's, ask for help building courage when they see that they need to break down the walls that isolate silos and build connectivity that does not yet exist. Some ask for help after luminaries like Harold get into trouble, because they do not yet know how to build the courage that generates luminous efficiency rather than excessive heat and noise.

Other organisations bring us in after they have transformed into a matrix structure, put new connectivity in place and need to deal better with conflict-prone moments of truth. In another medical device company, the rationale for the change was clear. To serve all of their therapeutic areas well, across the entire European, Middle East and Asian region, they had to tap brilliance in a matrix structure. In the powerpoints, they clearly delineated who was appointed to orchestrate specific account teams, regional marketing teams and product teams.

In theory, the matrix made sense. But the execution was different from the neat charts on their powerpoints. In a team mobilisation workshop, several dozen middle managers looked dazed. Like Harold, they did not understand what it meant to be an orchestrator. They were paralysed. Frustrated. Pulled in multiple directions. Unsure where to go for permission, answers, execution resources, sponsorship. Confused by the Catch-22s of having multiple bosses, a cacophony of luminaries who all wanted to be heard, and aspirational rather than easy-to-achieve business outcomes to deliver.

A few outspoken critics used the workshop as an opportunity to vent and tell management that they should have thought things through better. They wanted sponsors to bolster their authority, strengthen their power and "make" people adhere to their directions. They saw the moments of truth as signals that things were dysfunctional, rather than seeing them as challenges that required everyone to lift their game. In response to their complaints and frustrations, one of the senior executives spoke up, with a "march or die" call to action:

AT ARAMARK, UNLIMITED PARTNERSHIPS ARE "MISSION ONE"

One corporation who has unleashed the potential of molecular structures is ARAMARK. They use technology, but are not a high-tech company.

ARAMARK started in foodservice, and now provides every service imaginable, from uniforms to security, janitorial to building maintenance, aircraft cleaning to rental car operations and conference centres. They now are a \$6 billion international service corporation that builds long-term unlimited partnerships with institutional customers.

At one time, ARAMARK was organised into discrete lines of business, each run as an independent silo. ARAMARK now works in molecular cross-line of account teams. "Foodies" who know a customer intimately, for example, create opportunities for colleagues in building maintenance or uniform services

To be a leader at ARAMARK, you have to be able to orchestrate the efforts of a diverse cross-line of business team of service experts. You have to be able to grow your customer relationship beyond the contract you inherited and the technical expertise you learned when you worked your way up. It is no longer enough to run a single service. You also need to be able to form internal partnerships with business units who deliver a wide range of other services.

As an orchestrator, you have to create a level of trust and resource-sharing — so knowledge that was "not invented here" can be leveraged and used in one service area can help others in the system deliver better, faster and more cost-effectively. You have to make hand-offs from one line of business to another that are seamless for the customer. And provide a single point of contact.

"In our old chain-of-command, you could play 'good child' and be absolved of responsibility, as long as you followed orders and delegated tough decisions upward. This new structure asks us all need to step up like adults and take charge of deliberations in an adult-to-adult, rather than child-to-parent, way. Yes, it was a lot more comfortable being a child than being an adult. But, if we embrace our role as orchestrators, we can have a lot more fun. Influence. And opportunity to really make a difference. For the business. And for the patients and caregivers who should be using our medical devices properly. As senior executives, we have to be more effective as sponsors, just as you need to be better at orchestrating. We are all learning to lift our game. Together." Amen.

Who's running your deal? Lift courage with 5 Courage Factors

Val was invited to lead a key Business Development (BD) team. This was a complex deal, in-licensing a discovery that was owned by an inventor, a VC and an academic institution, who all were at odds with each other.

"Are you running this deal?" the CEO asked Val with a chuckle as she strode into the meeting room. Everyone looked down. Val seethed. The team was scrambling to incorporate the CEO's directions, though they were convinced the CEO's ideas could jeopardise delicate negotiations with the academic partner, by giving the inventor and VC the upper hand.

The CEO was furious when she heard that Val had told the team to adopt her ideas without the same critical thinking they would have used to vet anyone else's suggestions. "Were you running this deal or was I?" she asked Val sternly. Val protested. The CEO exploded. "If you are running the deal, I need you to step up and orchestrate the decisions, not just the tasks. Treat me as a resource and deploy me where you need me. Listen to my ideas. But 'just following orders' is not a recipe for brilliance. Especially if you see things that I overlooked and have better ideas."

Val met with a Courage Mentor who listened to her protests about the CEO — and then challenged her to find a better way to deal with the CEO's fear and reticence to delegate without micro-managing. They

used the 5 Courage Factors as a roadmap for success behaviours that would equip Val to lift the CEO above her fear and reluctance. Her conclusions?

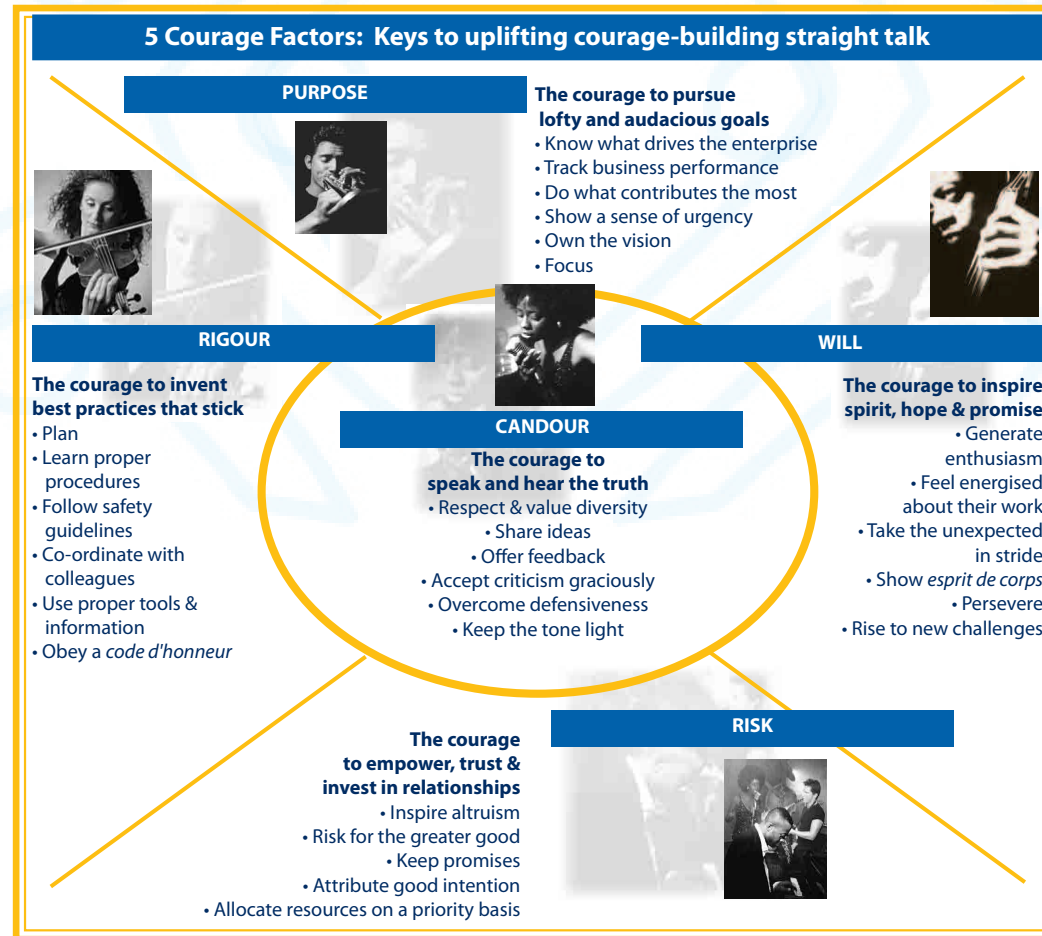
- **Muster the WILL to step up** and take charge. Transcend your fear. Believe in yourself. Project a "can-do" attitude and instil confidence that you are the go-to person, without being arrogant. Continue to monitor will and infuse energy and confidence, as needed.
- **Stay focused on PURPOSE.** Know what "success" means. Reassure the CEO that her success is your success with SMART goals that you both endorse. Explain why you have her best interests and the shared purpose at heart when you challenge her proposals, say "No" or "Not now."

at heart when you challenge her proposals, say "No" or "Not now."

- **Open CANDOUR.** Ask open-ended questions. Keep an open mind, even when probing to test your prognostications. Smoke out concerns. Ask, "Would you like our ideas?" and stop the flow until you get an invitation.

- **Wrestle down the right issues with RIGOUR.** Bring the right luminaries together — synchronously (in a telecon or live huddle) or asynchronously (via email or a web-exchange). Depoliticise debate. Formulate solutions with next steps, costs and accountabilities.

- **RISK putting team ahead of self.** When problems arise, show a desire to help, not blame. Go the extra mile or defer personal ambitions for the good of the team. Ask directly for the support and trust you need from the CEO and others. If they balk, start over with will and purpose.



When luminaries put their best ideas forward or take a risk and initiate straight talk, they expect receptivity — if not appreciation. But when those ideas stretch others beyond their comfort or safety zones, the response is often less than affirming. Such was the case when Val took the 5 Courage Factors to heart and sat down with her CEO for straight talk about the BD opportunity that nearly got away and what they should do better next time.

Still smarting from the nearly-lost BD opportunity and the extra cash it took to get the deal done, Val's CEO was more convinced than ever that she, personally, had to orchestrate every deal rather than delegating that to Val. "We only get 4-5 good BD opportunities per year," the CEO explained, "My main fiduciary responsibility is to capitalise on each of those opportunities, and anything else — including your training — will have to be fit in if we have extra time."

Val correctly assessed that her CEO was at Level 2 on the Levels of Courage chart (to the right). She understood that she was asking her CEO to take a risk by entrusting more responsibility for orchestration of BD to her. Rather than seeing herself as a victim of the CEO's unfair accusations, paranoia or ego, Val correctly understood that her job, as a leader, was to lift her CEO from procrastination to accountability, improvisation and mastery — and the division of responsibility that made sense for the business.

If you were in Val's situation, would you have the courage to approach your CEO and ask her to trust your judgment and commit to a plan that would put you back on the fast track to being trusted and empowered as the go-to BD orchestrator? Val did.

Would you have the courage to smoke out your CEO's concerns, without getting defensive, and reassure her that you, too, value the business objectives more than personal ambitions? Would you frame the purpose not as, "This is my career," but as, "This is the best way to show prospective BD partners that we have benchstrength and the best way to leverage your deal-closing and negotiating skills?" Val did.

Would you have the courage to persevere and pursue the issue and to build momentum, rather than waiting until the timing is right for the CEO to decide to move your recommendations onto her A-list of priorities? Val did.

Would you suggest a 6-month plan, with clear milestone events and accomplishments to be demonstrated — rather than "carte blanche" that demands nothing less than total empowerment, all in one giant leap? And to be held to that plan with no excuses, before asking for a second 6-month plan? Val did.

Would you have the courage to ask that a hyper-critical advisor/sponsor invest in critiquing your work on a before-action rather than after-action basis — knowing that the feedback might not be delivered in the most loving and patient way all the time? Val did. At the end of a year, Val has a very different partnership with her CEO sponsor — and a different level of trust and empowerment.

All this happened not because of the CEO's insight or leadership. It happened because Val had the foresight to see what was possible and had the courage to mobilise support.

Levels of courage you might see when you ask others to stretch

When luminaries ask others to stretch beyond tried-and-true, business-as-usual ways of working, they hope others will appreciate their brilliance and follow their leadership. But what if followers are below the fear line, stuck in denial, blame or procrastination? Savvy courage-builders correctly diagnose their follower's level of courage to step up and embrace stretches that will make them more successful without taking it personally, so they can uplift, ennoble and lift their readiness.

TAKE-CHARGE, ENGAGE TRANSCEND FEAR	Level 5. MASTERY: Do it, make it, get on with it <i>"Let's take action" • "Let's reach out" • "Let's get it done" • "Let's fix the problems"</i>
	Level 4. IMPROVISATION: Learn it, experiment, innovate, improve <i>"What best practices?" • "What if we..." • "What other options?" • "What else?"</i>
	Level 3. ACCOUNTABILITY: Own it, initiate, mobilise, plan <i>"Here's the plan" • "What could help?" • "Let's reach out to..." • "What can I do?"</i>
VICTIM, FIGHT-FLIGHT INDULGE FEAR	Level 2. PROCRASTINATE: Talk it, delay, wait, comply <i>"Let's wait until..." • "Time will take care of it" • "As you wish" • "I am almost ready"</i>
	Level 1. BLAME: Fight it, argue, debate, ridicule <i>"It's their fault" • "You don't appreciate" • "It's impossible to..." • "This is why"</i>
	Level 0. DENIAL: Avoid it, ignore, rationalise, trivialise <i>"This will pass" • "We're OK already" • "Not our job" • "No one else complained."</i>

When you encounter luddites, how do you lift their courage?

The Luddites were a group of textile artisans who burned down factories and destroyed manufacturing equipment in the early 1800s. Their livelihoods were threatened by the burgeoning presence of mechanised looms which could be operated by less skilled workers and could produce textiles cheaper than skilled artisans using hand looms. By 1812, their terrorist attacks were put down by the British Army, marking a victory for “the wheels of progress.”

Game-changing brilliance often threatens hardworking, honest artisans who have a vested interest in preserving the status quo. Take Amal for example, the Head of Medicinal Chemistry in a life sciences company. Amal was a gifted artisan, whose CV included numerous patents and scientific breakthroughs. He was known as a demanding boss who demanded top-notch work.

As long as cross-functional teams gave Amal’s chemists easy access to support functions and made their lives easier, Amal supported the company’s cross-functional matrix structure. But when some of the support functions stepped up, acted like advisors and orchestrators and pressed Amal’s group to lift their game, he was insulted. Like the original Luddites, he focused on defending the status-quo.

“We are medicinal chemists, not short-order cooks!” Amal protested, taking the heat to keep things calm and even-keeled for his team. “What cheek! Computational and analytic chemists have no idea what it takes to synthesise a novel molecule that binds to a receptor with a stable, therapeutically active, scalable formulation. If they

try to critique us or give us a recipe again,” Amal proclaimed, “I will tell my chemists to walk out and stop working on any of their projects.”

After an impassioned appeal to the senior executives in the Portfolio Review meeting, Amal paused and waited for an apology, for affirmation of the medicinal chemists’ preeminent role, and assurance that interference and increased pressure would not be tolerated by the CEO and CTO (Chief Technical Officer). He was incredulous when the executives showed interest in the computational chemists’ suggestions and encouraged Project Leaders to create dynamic tension amongst the disciplines rather than automatically deferring to Amal and his group.

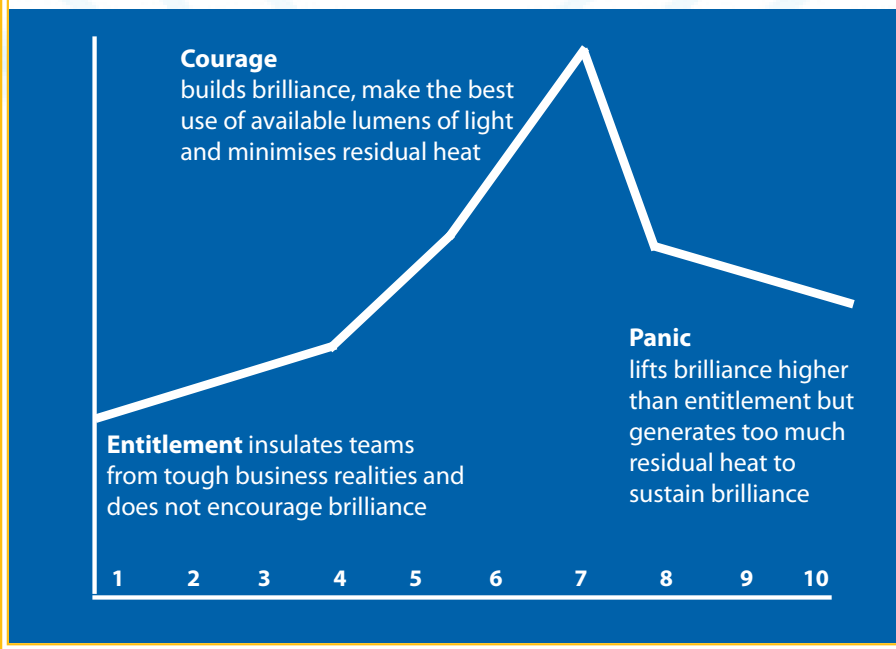
“This is so unfair,” Amal said, trying to stay calm. “It is harrassment, plain and simple. I cannot collude with this any more.” With that said, Amal stormed out of the Portfolio Review meeting.

No one wanted to attack Amal or send him into a panic. But the new drugs they were synthesising were far more difficult than anything the chemists had done before. Regulatory approval, reimbursement, safety and patent registration also were more difficult — requiring disciplines to sharpen each other up, not leave each other alone.

Because Amal framed his panic as a “harrassment issue,” the CEO asked the HR Director to debrief with him. This now created a moment of truth for the HR Director — whether to lift Amal’s courage, discipline him or restore peace with a compromise that would preserve some of his old entitlements.

The correlation between pressure and performance

Across businesses, professions, age groups and cultures, social scientists have investigated the correlation between pressure and brilliance. Suppose stress, pressure, discomfort, challenge were rated on a 1-10 scale. At what stress or pressure level is brilliance at its highest sustainable level? Here is what the research says:



Amal was, of course, skeptical and indignant when he first sat down with the HR Director. He thought he was doing the right thing by trying to protect and insulate himself and his medicinal chemists against harsh and unfair business realities. But, in reality, he was “stuck” at Denial (Level 0) and Blame (Level 1) and was keeping his team stuck too.

The HR Director mustered her own courage for straight talk with Amal about the leadership that his chemistry team — and the entire enterprise — needed from him. She knew this would not be an easy conversation. She knew that Amal needed a new set of skills and a new perspective — to reinvent himself and redefine what it meant to a key leader, in a business environment that demanded a broader perspective than one dominated by medical chemistry alone. She had a Courage Mentor in mind to work with Amal on building those skills. And she knew that the Courage Mentor’s coaching would not be effective unless she could lift Amal’s readiness to explore new possibilities.

The 5 Courage Factors gave the HR Director a step-by-step roadmap for ennobling, courage-building straight talk — to lift Amal from Denial and Blame (Levels 0-1) to Accountability, Improvisation and Mastery (Levels 3, 4 and 5). Here is how she followed that roadmap with Amal:

1. Agree a shared PURPOSE. Instead of starting the conversation by talking about Amal’s outburst and unprofessional behaviour at Portfolio Review, the HR Director asked him to restate goals that needed to be achieved, for the business to succeed and to establish a shared purpose.

2. Open CANDOUR. She asked Amal how he experienced the

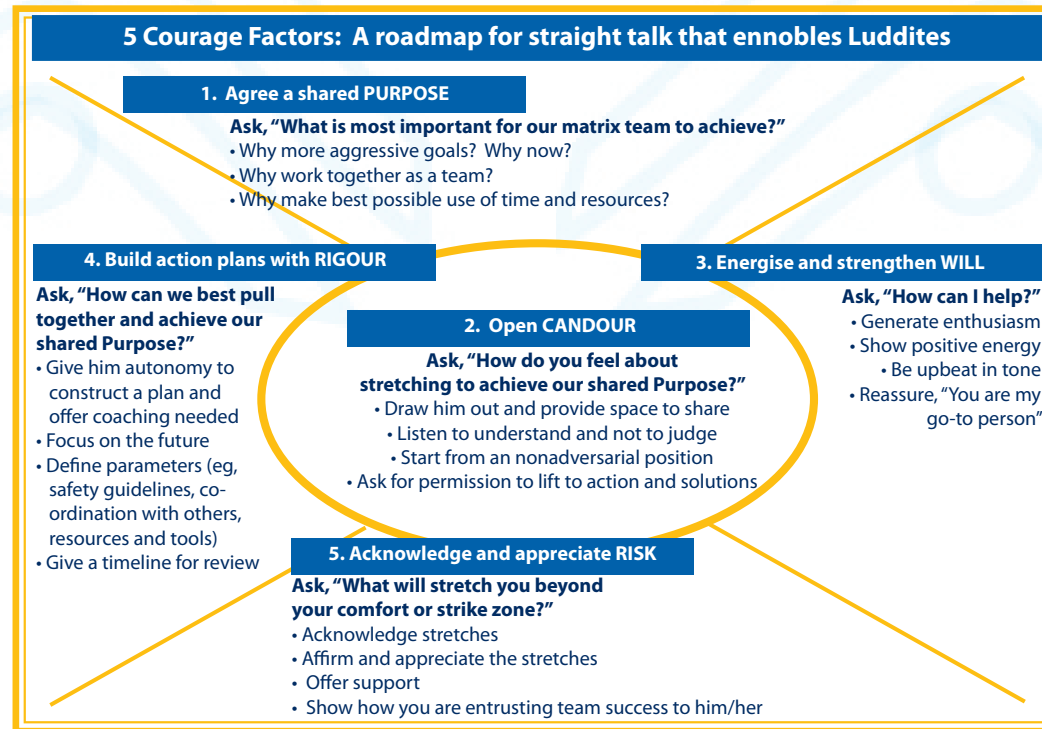
Risks that colleagues are requesting to achieve the Purpose. Listened. Did not judge. Restated his feelings, to show empathy. Responded calmly, not defensively, when Amal challenged her credentials or impartiality. After getting concerns on the table, she asked for permission to shift to an action-mode, and lift above Blame (Level 1) to Talking the Talk (Level 2).

3. Ignite an optimistic and determined WILL. She conveyed enthusiasm, built pride and an optimistic can-do spirit, without making light of difficulties or obstacles. She affirmed what you saw — in Amal and his group — that made her confident about his success with a Courage Mentor. She appealed to Amal’s motivations, even if those are different from hers, to connect with Amal’s Higher Purpose and lift him out of Procrastination to Level 3.

4. Build RIGOUR. She gave Amal space and time to build a plan — and suggested the Courage Mentor as a resource to build his plan. She focused on the future — when she said that he needed better ways to deal with frustration than indignantly stomping out of Portfolio Review. She set parameters, constraints and timelines that would be acceptable to the CEO and CSO. And encouraged learning (Level 4).

5. Acknowledge and reinforce RISK. She let Amal know that new ways of working would require him to stretch beyond his comfort zone. Showed him why the team deserved his trust. And promised support if he would do his part to embrace new possibilities (Level 5).

In more straight talk, she repeated the cycle. She was realistic and knew that straight talk would require more than a one-time breakthrough dialogue to continue to provide lift.



Brilliance: Can we generate more of it with less energy?

Most CEOs believe that their organisations have a shortage of truly brilliant, luminary, “go-to” lynchpin players. That’s what IBM’s survey of Fortune 100 CEOs reported. From what we seen with most of our clients, we agree.

The question is, “Why?” Most CEOs believe it is a problem of supply and deployment. If so, the solution is to recruit more luminaries. Screen better to make sure they are as brilliant as they claim. Put them in the right places. And keep them from getting poached.

But, in far too many places, brilliance is dormant. Foresight, insight and oversight are there, but are not out of the closet. Consider these examples:

- Apple scooped Sony with the iPod. Before Apple got their hands on the technology, Sony had brilliant product champions who saw the market potential of MP3s. But Sony’s luminaries could not overcome concerns about how this invention could cannibalise sales of existing products.
- BP was warned that Deepwater Horizon was an accident waiting to happen. But construction engineers at Halliburton were dismissed as profiteers. Safety engineers were dismissed as risk-averse. Workers on the rig were dismissed as malingerers. Regulators as adversaries. Oops.
- EBI revolutionized the worker insurance industry with a highly profitable “zero accident” product. Even when the business model and social benefits were clear, some VPs were afraid to give safety engineers the green light to enforce correct but counterintuitive accident prevention requirements with key accounts. Those account teams had brilliance but did not use it to drive profits.
- NASA’s mission management was warned that foam strikes could be

fatal on the final mission of the Columbia space shuttle. NASA’s previous space shuttle disaster is one of the most researched cases of groupthink, wishful thinking and trivialising risk factors. Yet, the brilliant engineers who warned NASA were not embraced as luminaries.

- An Israeli drug discovery company invented a brilliant way of synthesizing new compounds and put more new drugs in the clinic per year than anyone believed possible. After merging with a US company, new managers thought that the brilliant founders and CEO should ramp down and have reasonable rather than aspirational productivity and quality goals. Luminaries knew better. But they agreed to compromise and make everyone happy — and the entire company is now out of business.
- Analyse public records about Vioxx. The safety risks were known. But the risks were considered to be too insignificant to justify unprecedented risk mitigation, patient monitoring and building those costs into the price of the drug. Even in a company renowned for ethics and transparency, luminaries

could not get traction when they raised their heads above the parapets and said, “We may have a problem — and a new business opportunity.”

From what we know about these cases, and countless others, brilliance was in the system. Courage wasn’t.

Courage could have flipped the switch — and brought brilliance out of the closet. Courage could have equipped luminaries to lead antagonists to a better outcome rather than throw up their hands in defeat. Courage might have given antagonists the boost they needed to embrace new, albeit threatening or frightening, possibilities. If that courage is lacking,, it’s a moment of truth. Are you a victim or do you choose to lift it higher?

Getting brilliance used: With courage comes luminous efficiency

A light source that is efficient gives the most lumens of brilliance from the least wattage and generates little residual heat. In an energy-conscious world, that is the new standard. The same is true in teams that have to generate brilliant business and technical solutions, where the principals involved in decision-making have limited time, limited bandwidth and no appetite for the residual heat of drama, rivalries and politics. The new standard is luminous efficiency, not just brilliance — and the courage to flip the switch and make it happen.



Develop peripheral vision — for systemwide possibilities

Years ago, we did a project to improve productivity and product quality in a potato chip factory that sold its product in 20 litre cans. The company had 3 factories using the same technology and the same production process.

When we toured one of the three plants, people lit up and smiled when they saw us, rather than averting their eyes and turning away. They were eager to show us how things worked. Operators paid attention and materials handlers walked with a bounce in their step. In focus groups, they talked with pride about their jobs. Unfortunately, that plant had the lowest productivity and quality statistics.

When we brought the department heads in that plant together, they each talked about their respective operations and the resources needed to keep things running smoothly. The head of the Can Wash department needed two materials handlers to take cans off the assembly line and stack them up, when the conveyor belt slowed down. The head of the Filling department needed two materials handlers to retrieve cans and put them on the conveyor. The two departments were adjacent to each other, separated by a 70 cm thick stone wall, but they might as well have been on different continents.

When we mapped the flow of cans through the entire system, the department heads were surprised how easy it was to boost productivity. Shut off one can-wash machine and tinker with the speed of the conveyor in the filling department. Presto. Four materials handlers could be reassigned to jobs where they could add value.

In his book, *The goal*, Eliyahu Goldratt talks about goals that seem impossible, simply because we look within walls

rather than viewing work flows from a systemwide perspective and asking, “What constraints are problems to solve (e.g., varying the speed and output of the can-wash machines) — and what constraints are the ‘givens’ that we have to live with and work around (e.g., the speed and output of the can-filling machines)?”

In the 1980s, Marvin Weisbord made a dramatic discovery. If you bring together stakeholder from the entire value chain — customers, suppliers, regulators, workers and others — you can construct a far more robust, executable and profitable strategic plan than relying on a small inner circle of senior managers to build the scenarios. A Future Search Conference, as he called his method, might include dozens, or hundreds, of stakeholders. It is a bit chaotic, but incredibly powerful — because it lowers activation barriers, and gets people who do not normally interact to sharpen up each others’ thinking and learn from each other’s diverse perspectives.

If you are the orchestrator of a cross-functional team, you may not convene an off-site conference. But that does not prevent you from bringing diverse advisors and executors together and lifting their periscopes, so they see their efforts from a broader systemwide horizon. If you are orchestrating, it’s important for you to let teammates know what cues to watch for — and when they need to come in, on time and in sync for smooth co-ordination.

When Oren Becker and his partners designed the drug discovery engine at Predix, they turned conventional thinking on its ear by looking across the system. If you could get computational chemistry, biology, medicinal chemistry and other

AT BETTER PLACE, THE IMPOSSIBLE BECOMES FEASIBLE

Shai Agassi looked across components of the transportation supply chain, just as we took down the walls between departments in the potato chip factory.

If you consider automobiles, recharging stations, parking, batteries and power generation to be linked rather than separate, new possibilities emerge.

“You do not buy all of the fuel when you purchase a conventional automobile,” a Better Place spokesperson said, “So why should you purchase the battery which will fuel your car all at once?” Leasing a battery from Better Place is no different from paying per week, per month or per trip for fuel.

But it is one thing for a single luminary to see across the value chain. Getting

diverse interests to integrate their activities is something else. Even in a small country like Israel, where Agassi is well-known as a business superstar, it look no less a figure than President and Nobel Prize winner Shimon Peres to bring all of the special interests together and get them to look across the value chain like alliance partners rather than competing interests.

Better Place is not a car company or a battery company or a parking company. Or a venture capital company. They have carved out a role for themselves as systems integrators, orchestrating the efforts of brilliant luminaries from diverse interests and areas of expertise. It is their job to see who needs to be networked with whom to solve technical or business problems, in the right sequence.

disciplines to work in parallel and co-ordination rather than in sequence and independently, they reasoned, you should be able to accelerate progress by sharpening up each other's thinking as you go, rather making iterative adjustments. And by killing compounds that are not likely to yield approvable, reimbursable products — based on computer models, which are far less expensive than laboratory or animal studies.

Becker left Predix and is now CEO of Dynamix Pharmaceuticals, named to reflect the dynamic tension that exists when a molecular team operates with brilliance. The key to success, Oren contends, is lowering the activation

barriers — in physical proximity, in information sharing and also the way people interact — so teammates function as a seamless network, and push each other to find better and more elegant solutions, rather than presenting to executives and waiting for the CEO or CTO to ask the tough questions.

Orchestrators are the linkers who bring the right luminaries together, so you have the right luminaries together to address the right issues. And they equip teammates to push, challenge, critique and probe for the best solutions, not necessarily the easy, obvious or politically expedient solutions — with ennobling straight talk, to lift each other's courage.

Team mobilisation that equips orchestrators to lift courage

Dov Frohman, now retired from his post as MD of Intel Israel, contends that leadership can be learned but not taught. Frohman is famous for “march or die” leadership at Intel Israel, while the country was under attack from Saddam Hussein during Gulf War I. Frohman mobilised Intel Israel to stay open and deliver “as if” it was business as usual, even while the country was under attack and the Israeli Civil Defence authority was advising non-essential workers to stay home and off the roads.

Frohman knew Intel's HQ in the USA would understand a delay or two. But he also knew that a delay would have made it impossible for Intel's board to keep enterprise-critical assets in Israel. Because of the company's key role in a sensitive global supply chain, Frohman persuaded the authorities — and his own employees — that their work was essential. A squad of orchestrators stepped up and mobilised teams to keep the business humming while minimise the physical and psychological risk to Intel employees and their families. A decade later, in

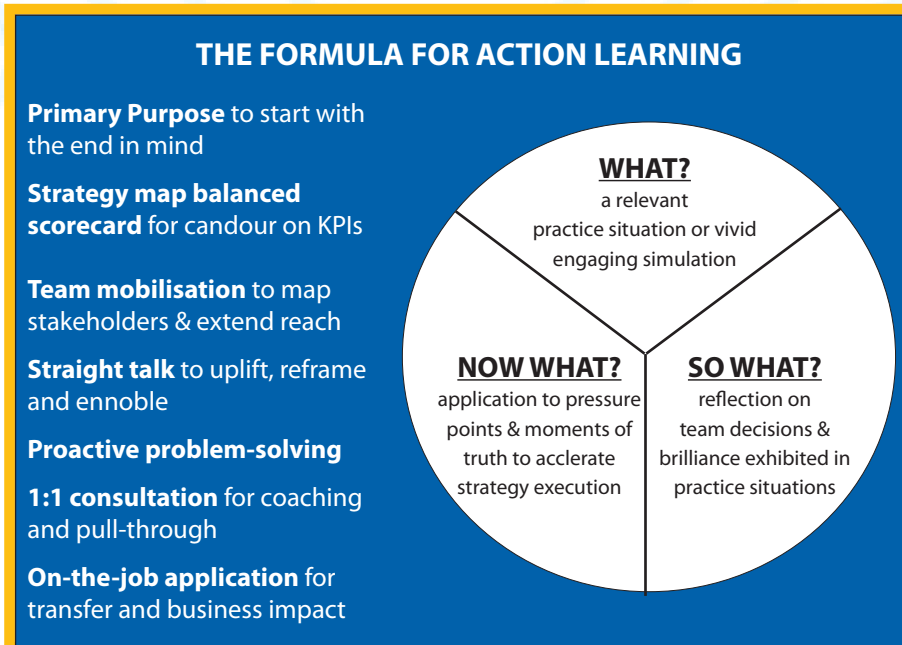
the Lebanon War of 2006, our own staff followed in Frohman's footsteps and mobilised, working out of makeshift offices and computer centres in shelters to deliver “as if” it were business as usual.

When we look at Frohman, we can see how life experiences taught him to exhibit what he calls “leadership the hard way.” And thank G-d that we have

not been tested in the ways that he has been tested. So how do we develop orchestrators, teach them to step up rather than wimp out, and hone their skills optimizing a team's collective brilliance rather than trying to do all of the heavy lifting and luminary thinking as a soloist?

According to research at the USA's Centre for Creative Leadership, orchestrators build courage-building skills most dramatically with...

- A foreign assignment — where they have to broaden their instincts and idiosyncrasies, and recognize they are dependent on others who know more and have more access than they do



- A role as head of function (or a cross-functional team) where they are not the technical expert — where they have to probe without preconceptions and influence without expert or positional authority
- The turnaround or transformation of an underperforming or under-contributing business unit — where they have to call teams to action with a “march-or-die” imperative and get them mobilised to answer the call.
- Vexing systemwide problems or unmet needs — that require breakthrough thinking and unprecedented thought-leadership from luminaries who are used to being treated only as order-takers

So, to develop leaders, the first questions we ask are, “Leading where? Why?” and, “Why now?” This defines the **Primary Purpose**, sets the compass North, starts with the end in mind and puts the next hilltop in sight when you say, “March or die.”

After Purpose comes Candour. To show the gap between the destination and the starting point, with KPIs (key performance indicators). With what our friends Richard McKnight and Tom Kaney call a “strategy map” that translates the Primary Purpose™ into a balanced scorecard with S.M.A.R.T. goals and measures that tell luminaries whether they are achieving the impact they need to achieve, on business, partnership-building, knowledge-building and operational levels.

Some clients come to us with the Primary Purpose and metrics for Candour already defined — and look for ways to accelerate execution. Other clients come with a vague vision or a gut feeling of what the next pinnacle of success requires, and ask us to orchestrate a Future Search or data-driven strategic planning process, with advisors from a wide range of disciplines, to build or refine the strategy map.

Then comes the **Rigour** — so participants in a Courage Institute team mobilisation process come forward with initiatives to orchestrate. Like running the deal, like our friend Val was asked to do. Or spearheading pricing reforms, like our friend Harold. Or re-deploying HR and talent management systems to lift performance beyond “business-as-usual, as courage-building HR partners do. Or carving out orchestrator roles in chain-of-command or entrepreneurial systems that are not used to working with orchestrators, like our friends in Enterprise Project Management Organizations have done, in a wide range of organisations.

In our very first Team Mobilisation workshops, we create an learning laboratory where leadership can be learned but not taught. By defining whom leaders will need to mobilize and to assess what their LEQs are, when leaders say, “March or die.”

With Purpose, Candour and Rigour in place, we infuse team mobilisation with **Will**, so orchestrators learn to energize, uplift, ennoble, challenge, inspire and create a sense of urgency, accomplishment and *esprit de corps* — both amongst the luminaries who “get it” and the luddites who are threatened and defensive. And inspire **Risk**, so orchestrators influence upward and downward, laterally and cross-functionally, inside the business unit and with external partners, when success requires stakeholders to stretch beyond their comfort zones, strike zones or their positions of security, status or safety on the Maslow hierarchy.

What interventions do we use to equip leaders to strengthen Will and Risk — in a way that drives toward Purpose, keeps Candour open, and continues to expand the network of keeping team members on belay with Rigour?

- **Direct participation in problem-solving forums and molecular team meetings**, as a guest facilitator alongside the orchestrator who is wrestling down contentious issues and driving them to resolution
- **1:1 off-line coaching or advisory services** so orchestrators and sponsors have a positive, uplifting impact when they say, “March or die,” mindful of the sensitivities and motivations of their audiences
- **Architecture**, developed in partnership with HR partners, and finance and re-engineering experts, marketing and strategy consultants, so reward systems, official KPIs, career lattices and reporting structures reinforce the contributions and the success behaviours that you need to see
- **Communication plans**, to create a “positive buzz” about new possibilities and strategic imperatives and to empower and equip orchestrators and sponsors to guide the “buzz” so it stays positive, even when frustrations and difficulties arise or improvisation is needed
- **Shadow consulting**, to coach orchestrators, sponsors or advisors about seizing the opportunities to uplift, ennoble, encourage and challenge
- **Breakthrough business dialogues™** skill-building, which can be delivered in online web-based simulation learning, in live practice workshops or in a blended learning format

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- **Peer coaching networks**, which equip orchestrators to share best practices and refine each other's leadership skills
 - **GroupMind Express web-enabled dialogues for asynchronous planning and co-ordination**, so orchestrators can deploy teammates, build on each others' ideas and pressure-test proposed course of action
 - **LEQ team assessments**, so you can see which of the 5 Courage Factors are strengths and which need more strengthening; and,
 - **Simulation learning — with immediate feedback**— so luminaries can see the consequences of their actions and decisions and make course-corrections during real-time deliberations or team mobilisation workshops
 - **Courage to lead™ insight, diversity dialogue and skill-building workshops**, which accelerate learning with hands-on decision-making simulations and practice exercises, with open exchanges to bridge sub-cultures and commit to cross-functional support contracts, to open up new insights about avoiding hierarchy traps and stepping up to orchestrate activities in cross-functional, matrix or alliance teams, to anticipate and deal with conflict-prone realities, and do all this with a high level of fun and active, interactive engagement
 - **Practical transferable skills.** Workshops on Breakthrough Business Dialogues, Stakeholder Mapping, Possibility Thinking, Diversity Dialogues, Strategic Problem-Solving, Win-Win-Win Collaboration, Influence, Aspirational Goal Setting and other ennobling, game-changing topics leave your luminaries with insights, ideas, application plans and roadmaps, based on the 5 Courage Factors.

We invite you to call us...

...for more information on these courage-building interventions. We can deliver an assessment with shadow-consulting advice, a one-time event to jump-start your initiative or overcome obstacles or can orchestrate a 6-12 month strategy execution acceleration plan, in partnership with your Steering Team, EPMO, HR and strategy advisors.