CHAPTER TWENTY-FIVE

The Courage to Manage

Apart from some creative microtactics, the advice given by the superstar office managers and staff is familiar. Similarly, our statistical investigations have given support and evidence not to surprising conclusions, but to familiar ones.

So what, then, is the issue? Why don't all firms do these things? Pfeffer and Sutton put their finger on the issue in a book entitled *The Knowing-Doing Gap.* Just because people know what to do does not mean they will do it.

In my experience, the single biggest barrier to implementing any strategy is courage. What makes our superstar managers so impressive is not what they are doing, but the fact that they are doing it. Many people (and firms) lack the guts to stick with the plans and goals they have set for themselves. They lack the courage of their own convictions. As C. S. Lewis wrote in *The Screw Tape Letters,* "Courage is not simply one of the virtues, but the form of every virtue at the testing point."

I first learned this lesson some time ago, when I set for myself the goal of trying to become a strategic advisor to international professional firms. Shortly thereafter a firm asked me to accept a project conducting sales and marketing training courses for their people.

The assignment was very attractive: a large volume of familiar, comfortable, enjoyable work, which would provide a significant portion of my revenue target for the year. However, it was obvious that spending most of my year doing sales skills training would do nothing to help me achieve my strategic goal. Rather than becoming a strategic advisor, I would, by the end of that year, be a sales trainer.

Taking the expedient path would not have been immoral, but it would have meant that I would not have obtained the benefits of my declared strategy. Obviously, resisting the expedient path is hard. You have to really bet on yourself and believe your own vision. You have to have the courage of your own convictions. Believing in the benefits of your aspirational goals is one thing; living by the diets that are necessary to achieve those goals is another.

So which did I want? Easy cash, or an ambitious strategy that would require hard work to create? Did I want a comfortable, well-paid year or one where I had to accept the burden of generating an equivalent number of days of "real" work that would move me toward my strategic goal as well as generate income? I decided to stick with my strategy and pass on the "easy money" opportunity. I arranged for a friend to look after my client, and worked hard (and successfully) to bring in the kind of work that was "on strategy."

Situations like these are not unusual. In fact, they are *inevitable.* All strategies, at some time or the other, involve a trade-off between short-term cash (doing what's expedient) and executing the strategy (living the vision of excellence you have set for yourself). If you're going to pursue a strategy, you must be willing to make hard choices and act as if you truly believe in your own strategy. In short, executing a strategy takes courage. You must be willing to practice what you preach, when it is convenient and (most importantly) when it is not.

Most firms do a good job of figuring out what needs to be done to improve the firm's success. Drawers and shelves are stuffed with clever plans, strategies and action items that, *if implemented,* would significantly improve the firm's success. However, the hard part of strategy is not coming up with clever ideas. Rather, the difficult part is finding the discipline, the will and the determination to act as if you were serious when you outlined your strategy.

Business life is filled with daily temptations, short-term expediencies and wonderful excuses why we can't afford to execute our strategy today. Accordingly, that new article never gets written, work is delegated only when it must be (not when it can be), the junior staff remains only "adequately" supervised, and the marketing principle is "We never met a dollar of revenue we didn't like!"

There is absolutely nothing wrong about making this choice, but you must not fool yourself. If you are willing to sacrifice a few degrees of quality to earn more cash, you will not create the market reputation for superior quality that you say you seek. It takes courage to believe that a reputation for excellence is worth more in the long run than incremental current cash. In their vision, mission and strategy documents, most firms *say* that they are aiming for excellence, but that's not how they operate.

In describing this trade-off in one firm, a person asked, "Are you really saying we should turn down new business?" "Only if you don't have the capacity to do it to high standards," I replied. "But does anyone ever do that?" she inquired. "Only the most profitable firms," I replied. "We wouldn't have the courage to do that," she said. "Precisely," I replied, "You don't actually have the courage to believe your own mission, vision and strategy." "Oh, I do," she said, "But I don't believe that our firm management does."

There lies the real difference between the average firm and the superstar offices described in this book. They don't preach standards that are different; they just live those standards. And the reason they do is not found in clever systems, but in the strength of the convictions of the individual managers who run those offices.

Many people do not believe that their leaders truly want them to act strategically. Whenever there is a choice to be made between strategy and short-term cash (and there always is) most people feel under significant (if not irresistible) pressure from management to go for the cash.

They believe that the message from firm leadership is clear: Strategy can wait for tomorrow. Rather than firm leadership being a source of encouragement to stay the course and pull off the strategy, they all too often *are* the biggest obstacles to the implementation of strategy. The courage to bet on the articulated strategy, even when it is management's own strategy, is almost entirely lacking.

The principle of courage is not meant to be an inspirational point, but simple logic. You reap the benefits of what you actually do, not what you hope to get around to doing some day if it is convenient and you're not too busy. If you want to be known as excellent at something then you have to *be* reliably, consistently excellent at that thing.

One could argue that you don't have to be "slavish" about your strategy. For example, couldn't you *occasionally* take in too much work, as long as overall you were excellent? This is a tempting argument, but in the real world it fails for two reasons. First, once you start forgiving yourself a little ("just this once") it is remarkable how easy it is to find reasons to forgive yourself for being expedient the next time (and the next, and the next . . .). Before you know it, your standards are no longer standards, and are just aspirations.

Secondly, the harsh reality of marketplaces is that it is very hard to develop a reputation for excellence for something that you do "most of the time." Even if you depart from excellence only a few times, you quickly become known as inconsistent or unreliable. If you can't be depended upon, few buyers will single you out as special.

Many people believe that you can rely on reward systems to encourage the implementation of strategy. This is rarely true. Take, for example, the strategy of excellence in managing people, an approach to doing business which is ardently preached in most firms and rarely enforced. "Well, we pay attention to it, it's one of our key strategies" one of my clients said. "We reward those people who do it well." "And what do you do to those people who don't do it well?" I asked. "We just don't reward them," he replied.

"In other words, you allow them to carry on as before?" I commented. "Well, yes," he said. "In other words, they don't have to do it, if they don't want to?" I queried. "I suppose not," he said. "Then how many do it?" I asked. "A few," he admitted. "So you're not achieving firmwide excellence in this area?" I concluded. "Not really, I suppose," he said.

The lesson is clear. To make something happen, it's not enough to reward those who choose to participate. You must tackle those who do not. As long as it's optional (even if rewarded) it isn't going to be done at the level at which the commercial benefits will kick in. "Are you really saying that I need to speak with all those who aren't doing it?" he asked. "Only if you want the benefits of your declared strategy," I replied.

"I'm not suggesting that you play boss, cop, Attila the Hun or dictator. Go remind them of why you chose that strategy. Help them. Encourage them. Give them some tools to make it easier. Set targets for small improvements that will at least get them on the virtuous path. But whatever you do, don't ignore them or leave them alone. It's not a standard in your firm if there are no consequences for noncompliance."

"But it would take an enormous amount of emotional energy to do all that," he said.

"Welcome to the wonderful world of managing," I said.

Many managers believe that they add their greatest value in ensuring that a strategy (or vision, or mission, or direction) is developed. However, this is patently false. The greatest value of a leader is in ensuring that the strategy is *implemented.* This is revealed by the very origin of the word "manage" which derives from Old French and, literally translated, means "the holder of horses." The manager's key role is to ensure that all the horses are moving in the agreed-upon direction at approximately the same pace.

Over the years, I have been trusted to see the strategic plans of many direct competitors. Remarkably, they are almost always identical. Everyone figures out correctly which client sectors are growing, which services are in rising demand, and which dimensions of competition (client service, innovation, etc.) the clients are looking for. The strategy documents are the same not because people are being dumb, but for precisely the opposite reason: everyone's smart! Everyone knows what needs to be done.

If this is so, then what is competition really all about? In my experience, it is about who can best *get done* the (obvious) things that need to get done. And this, in turn, is determined by the following set of closely related concepts:

- ❑ Energy
- ❑ Drive
- ❑ Enthusiasm
- ❑ Excitement
- ❑ Passion
- ❑ Ambition

Where these exist, the discipline can be found to engage in diligent execution and thereby outperform the competition.

The role of the manager, then, is to be a net creator of enthusiasm, excitement, passion and ambition. Any manager who can create these things will launch the "Service Profit Chain" that Heskett and colleagues wrote about so convincingly.

Alas, all too often, managers are net destroyers of excitement. If all they ever talk about is finances ("How are your billings, what's happening to receivables?") it can be deadening to the spirit. Which doesn't mean they don't need to talk about these things. They do. However, they must not talk *only* about these things. Financial discipline is the bedrock of business success. It is not all of it.

It is the manager's job not only to manage financials, but to inspire, cajole, exhort, nag, support, critique, praise, encourage, confront and comfort as individual people (and groups of people) struggle to live their work lives according to new standards—that is, the strategy. Of all the qualities required of managers, the most essential is courage—the courage actually to manage, and enforce the standards that are preached.

Managers must have the courage to maintain a long-term focus, must retain the courage of the convictions they espouse, and must find the courage to intervene personally whenever there are departures from the values and vision that create excellence.

The single biggest problem in the implementation of strategies is the absence of "consequences for noncompliance." If the manager doesn't have the courage to tackle the individual who is not behaving in accordance with the strategy, then all the other people will quickly realize that the new strategy is not something you *have* to do. They will quickly cease *striving* to comply. And thus the benefits of the strategy will never be attained. The single question remains: "What is the manager going to do about noncompliance?" Hundreds, if not thousands, of eyes are watching closely to see if the announced strategies are real or are discretionary.

What is often underestimated is that the problem of the nonconforming person is not his or her own nonparticipation in the strategy, but the adverse effect that he or she has on the motivation of others to participate in the new initiatives.

Afraid to intervene, many managers wait until the problems become serious. Until they *have* to deal with them. It is, after all, emotionally easier to deal with problems only when you must. This is, however, insufficient. Managing is not about dealing with problems once they have become unavoidable. Rather, managing is about surfacing issues and dealing with them *before* they become problems. To make a new strategy work, the manager needs to demonstrate, visibly, that he or she is prepared to be intolerant about departures from the strategy.

The earlier you deal with problems, the easier it is to tackle them, and the more options you have. The most obvious "consequence for noncompliance" should be an informal, unscheduled, private office visit from the manager. "Mary, it's come to my attention that you're not participating in the team meetings that we agreed to have. Is this accurate? Is there a problem? Is there something I can help you with?" (As always in managing, the best strategy is to describe the situation and ask for an explanation first.)

If the person is reluctant to go along, it is possible to ask for help:

"Fred, I know this isn't something that you enjoy, or that someone with your skills needs, but I really want to help and encourage others in this area, and your participation would carry enormous weight. Would you do it as a favor for me?"

Having these conversations is never easy, and takes significant interpersonal skill, particularly when the problem is not yet a serious one. But that's what managing is! While skill is involved, courage is even more essential. More managers have the skill to conduct these conversations than have the courage to actually engage in them. The manager is never adding as much value as when he or she is influencing individuals to adhere to agreed upon actions. Managing is less about figuring what should happen, than it is about actually making it happen.

It should be clear that the more the word gets out that noncompliance will result in an office visit from the manager, the less often the manager will need to make those visits. People will stay in compliance just to keep you out of their office!

A successful manager must not only have the courage to manage; he or she must also have the ability to instill courage in others. The central problem in most firms is that things are "pretty good so far." Few firms are hurting badly. And, as the old saying goes, the good is the enemy of the best. Why bother stretching for excellence when things are (at least) acceptable as they are. Do I really want to suffer the rigors of a new diet in order to achieve the uncertain benefits of a new goal? Or, in summary, do we really have to do this?

It is often said that only two things motivate people, fear and greed. Yet there has been very little reference to either of those things in this book. The best managers make use of a third motivating force, the glamorous dream. They are able to convince their colleagues that life could indeed be significantly better, that greater accomplishment is possible, and that, yes, they can do it.

Great managers give their people the confidence to believe that, individually and collectively, success, fulfillment, accomplishment and profits are, indeed, attainable. They give them the courage to try.

Change poses threat, and many if not most people operate well within their comfort zone, but are reluctant to abandon the old habits that brought them to their current level of success. If managers are often demanding, they must also be supportive. They must manage with a style that sends the signal "Come on, you can do it, I will help you!"

While the first part of this message ("Come on") is common enough, the second two, personal encouragement and personal support, are often absent in the styles of many managers. Again, it is necessary to notice that doing this kind of one-on-one management (the only form of management worthy of the name) takes not only skill but also the courage to actually do it.

Just as management involves a delicate balance between being supportive and being demanding, it also requires a style of insistent patience. Patience that "Rome doesn't get built in a day," and insistence that "We *are* building Rome." To find the courage to keep trying to attain new levels of performance, people must believe in their heart of hearts that the manager actually does believe what he or she says about the firm's standards, mission, vision and strategies.

People must believe that the manager has the courage to believe in something and, more importantly, the guts to stick with it. There is no greater condemnation of a manager than to say that he or she is expedient, and no greater commendation than to say that he or she truly lives and acts in accordance with what he or she preaches.