



# Book The Three Laws of Performance

## Rewriting the Future of Your Organization and Your Life

Steve Zaffron and Dave Logan  
Jossey-Bass, 2009  
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### Recommendation

Steve Zaffron and Dave Logan recognize that businesses and their leaders face radical shifts in the corporate climate and confront pressing organizational problems. But rather than wallow in negativity, they offer communication-based solutions called the “Three Laws of Performance” that they believe can transform companies and individual relationships. Zaffron and Logan explain how to energize and sustain your organization – and your personal life – by using candid language, fostering open discussion, confronting past wounds and voicing a positive future vision. Their ideas may not be revolutionary, but *BooksInShort* finds them interesting, sensible and worthy of close examination.

### Take-Aways

- Unless you choose to alter it, the future is already written. Conquering problems requires creating a different future.
- Use the “Three Laws of Performance” to rewrite the future of your organization.
- The first law is: “How people perform correlates to how situations occur to them.” Reality really is in the eye of the beholder.
- The second law is: “How a situation occurs arises in language.” Speak the unspoken.
- The third law is: “Future-based language transforms how situations occur to people.” Articulate the vision you want to lead.
- Use innovation, unity and optimism to change your organization’s future.
- You cannot move forward without righting past wrongs.
- Underperformance is a certainty when employees cannot speak candidly.
- You must create a crisis – and resolve it – to eliminate your habitually negative thinking.
- Effective leaders empower others to succeed. Visionary leaders see possibilities where others see limitations.

### Summary

#### Fundamental Change Is Necessary

Many executives suffer lagging sales, declining employee morale and problems ranging from productivity to performance. Often, they are not quite sure how to make things better, so they tweak the costs of products and services or reassign employees. But as soon as they solve one dilemma, another surfaces. This cycle of inefficiency continues because the firm’s core dynamics remain unchanged. To make a real difference in your organization’s internal relationships and its future, apply the “Three Laws of Performance.”

## Law One: “How People Perform Correlates to How Situations Occur to Them”

Different individuals view the same set of circumstances from various perspectives. Objective facts are open to dissimilar interpretations, depending upon each person’s experiences and expectations. You may view a co-worker as “selfish” and “impulsive,” while someone else could see the same person as “empowered” and “spontaneous.” This is not a matter of who is right or wrong; it is a matter of perception. Each person’s actions and behaviors determine the way “things occur.” In other words, reality truly is in the eye of the beholder.

“For every ‘problem,’ there is a future that’s already been written about it. The future includes people’s assumption, hopes, fears, resignation, cynicism and ‘lessons learned’ through past experiences.”

Workplace dissatisfaction often erupts when employees see their company as insensitive, manipulative, all-powerful and profit-driven to the exclusion of other motives. Employees who believe that viewpoint have a negative attitude, so they aren’t committed to improving their performance. They may display hostility toward management and they feel that they have little reason to be optimistic about the future.

“Although the future is almost never talked about, it is the context in which people try to create change.”

Faced with such attitudes, corporate leaders mistakenly believe they can improve employee morale, optimism and performance by offering additional training, making personnel changes or using motivational catchphrases. They try to increase profits by trimming expenses, an action that employees can interpret as unfeeling and punitive, further damaging morale. Leaders often make a crucial error by attempting to fix problems superficially. Unwillingness to assess situations honestly and make structural changes guarantees chronic low performance. Progress can only occur through collaboration and “buy-in” at every level. Workers on the loading dock must see that their objectives are aligned with and supported by the people in the executive offices, and that can only happen as the result of genuine collaboration and communication.

## Law Two: “How a Situation Occurs Arises in Language”

This law focuses on the importance of understanding how people communicate beyond the spoken word. Body language, facial expressions and voice inflections mean as much as words. Individuals can say one thing but transmit an entirely different message through what they leave unsaid. Dysfunction is guaranteed when groups of co-workers refuse to speak or deal honestly with each other – or management – and swallow their feelings.

“People’s performance will always correlate with how situations occur to them.”

Opening the lines of communication doesn’t mean spouting off and expressing every thought in your head. It means speaking frankly about your concerns and discussing issues that affect performance. Bottling up your thoughts creates disorder and leaves no space for new ways of thinking. “Clearing out the clutter” is one way to open the door to better performance. Learning to identify “rackets” is another gateway to interpreting language and improving communication. Rackets are negative behavioral patterns that typically have four components:

1. **A persistent complaint** – “Bob never gets his assignments completed on time.”
2. **A reaction** – The complainer gets exasperated at the grievance or withdraws.
3. **A continual “payoff”** – The complainer benefits from feeling superior.
4. **An emotional cost of racket behavior** – Everyone is unhappy and relationships erode in the face of criticism and contention.

“The key to performance lies in the complex workings of occurrence.”

People engaged in rackets pretend that everything is fine when actually they lack closeness and camaraderie. Usually, people cannot identify the payoff and cost of a racket. They sense a threat, so they try to protect their territory and maintain control. They feel they must always be right and they avoid any steps that could shift power to others. To eliminate rackets, voice the unsaid. People must examine the past and reframe the “game” to move ahead.

## Law Three: “Future-based Language Transforms How Situations Occur to People”

This law explores the distinction between “descriptive language” that portrays “things as they are or have been” and “generative language” that has the power to transform the future. Those who are unwilling to change are headed for a “default future” based on their previous experiences. For instance, disgruntled workers who view their employers as adversaries have little reason to be optimistic. They expect that their situation will continue with little variation.

“The unsaid is the most important part of language when it comes to elevating performance.”

Generative language, on the other hand, alters perceptions and creates optimism and motivation. “All generative language relies upon ‘speech acts’ – actions taken through language. The most fundamental of speech acts is a declaration, which brings a possible future into existence.” For example, when Martin Luther King Jr. said, “I have a dream,” he challenged many Americans’ belief that racial segregation would be part of their future. Stirring wartime speeches by Winston Churchill and Franklin Roosevelt convinced people that a bright, new future was on the horizon.

“If you turn up your antennae to pick up the unsaid, it can be overwhelming.”

Creating a fresh future requires commitment, starting with addressing the past. Achieving closure over broken promises, personal slights or inappropriate behavior means permanently putting those issues to rest. If you face such a festering situation, approach those involved and initiate a conversation about the issue. Assume responsibility for your part in it and take the appropriate action, like apologizing. The only way to get the freedom to move forward is to resolve old, nagging issues.

“People have to see beyond their current success before they can lead the effort of transforming an organization.”

Creating a vision for a new future at your company requires a unique strategy. Traditionally, executives attempt to “sell” their plans by meeting with different groups of employees, who typically remain unconvinced that things will really change. To bring about real change, leaders must initiate and engage in meaningful conversations that excite people, and motivate them to participate in a renewed way. First, you must make people believe that their contributions matter. Give skeptics an opportunity to present a “counterproposal,” but work diligently for wide support.

## The Keys to Leadership

Behind every great organization is a dynamic leader who is able to harness employees’ creativity and productivity. Outstanding leaders usually share these traits:

- **They outline a vision and encourage others to offer input** – Together the leader and the workforce determine their priorities and create a realistic environment for opportunity. All the participants should feel they have a stake in the future.
- **They understand that conversational networks are pivotal to their success** – Projects, plans and initiatives always stem from meetings, dialogue and brainstorming. Good leaders encourage conversation companywide. They stress the importance of creating new space by addressing and resolving past injustices.
- **They are instinctively attuned to the future** – Good leaders always care about making things better and giving their employees legitimate reasons to be excited and inspired.

“Future-based language doesn’t describe anything in the current reality. Rather, it creates a possible future to which the speaker is giving their word in the moment of speaking.”

Leaders must keep pace with fundamental changes in today’s corporate environment. Given the ease with which insiders can take cellphone photos or post YouTube videos, organizations cannot operate clandestinely anymore. Mistreatment of workers or practices that endanger the environment are sure to provoke swift disclosure. In the wake of huge corporate scandals, governmental regulations now require greater accountability. Companies are being forced to be more conscientious. They must exhibit “authentic social responsibility.” Integrity is rooted in conversations within organizations. Executives and employees who constantly examine their morals and principles create organizations that are not only profitable, but also ethical and admirable. The same qualities that define outstanding citizens also apply to exemplary businesses.

## Take Control of Your Life

To change your future, you must examine your life and understand what influences your decisions and behaviors. Many people believe mistakenly that they will achieve their hopes and dreams merely because they expect to do so. They think the future will unfold a certain way. But life rarely follows a specific pattern.

“Leaders who empower others to rewrite and realize futures can transform any situation, no matter how impossible it may seem.”

Changing your future almost requires rewiring your brain. Nearly every child receives negative messages that create self-doubt. The boy who is placed in the lowest algebra class may grow up to be an accomplished physicist, driven by the desire to prove his teacher wrong – but deep inside he may always think of himself as a poor math student. Such self-defining moments create limitations and prevent people from achieving greatness – or taking risks. Examining your life for such pivotal moments is uncomfortable, but thinking about how you reacted to a situation years ago will help you understand how it shaped your life. Most people hide their deficiencies by putting up a good front while their genuine “persona,” insecurities and all, remains buried.

“Whenever someone picks up on a lack of consistency in what you say and how you say it, it triggers a sense of distrust.”

The decision to “overturn your life sentence” requires creating a crisis and confronting your true identity. That will generate an opening for real freedom. To evoke a crisis-level realization, think hard and zero in on moments or situations when you felt “inauthentic” or when you were “pretending.” Note how those feelings prevent you from moving ahead. Begin to understand that you were responsible for creating those negative thoughts and messages years ago, not anyone else, including the teacher who downgraded you or the people who criticized you. Now you have the power to reframe the situation and use generative language to create a new persona.

## Practice Makes Perfect

Mastering the three laws of performance in your personal life means abandoning the notion of instant gratification. Rewriting your future demands practice and discipline. You cannot achieve it overnight. Determination alone doesn’t guarantee greatness. Many individuals with extraordinary intelligence or athletic prowess never achieve greatness. Conversely, many people who seem to have fewer natural gifts often accomplish wonderful things.

“When we put pictures of our dreams, hopes and wants into the category of ‘someday,’ we separate ourselves from the immediacy of living.”

The difference is that those who achieve mastery look at situations differently than everyone else. They see possibilities not limitations; they ignore conventional thinking or solutions. Tiger Woods welcomes the opportunity to hit golf shots that his competitors can’t envision attempting. Mastery means dropping preconceived notions and opening your mind to new ideas and perceptions. Eventually, you will gain new insights into a variety of daily occurrences. You may notice that your co-workers obsess over problems and obstacles. They are hopelessly stuck. You may begin to recognize nonverbal communication clues and to understand how much people really hide. You’ll even pick up revealing signals in their e-mails, reports and phone messages.

“A law is invariable. Whether you believe in gravity or not doesn’t lessen its effect on you.”

Your new awareness will allow you to identify soul mates – uncommon individuals who use positive language and who care about elevating themselves and others. They exude optimism and recognize opportunity. Not surprisingly, people who practice the three laws of performance separate themselves from the pack. They emerge as charismatic leaders who inspire others to perform at a higher level.

## Share Your Good Fortune

Share the insights you’ve gained from applying the three laws. Speaking about the three laws will add to the meaningfulness of your experiences and spark other people’s interest. If you’re fortunate, you will bring others into your circle and create waves of momentum that will enable you to overcome any challenges. You may find yourself playing the dual role of cheerleader and coach, encouraging your colleagues while providing guidance. Remember that people resist change. They may be unwilling to engage in meaningful conversations or participate in discussion groups that delve beyond the superficial. Don’t worry or get discouraged. It’s only a matter of time until others get a glimpse of your vision of the future.

## About the Authors

**Steve Zaffron** is CEO of Vanto Group, an organizational performance consultancy, and a board member of Landmark Education. **Dave Logan**, Ph.D., co-founder of the CultureSync consultancy, teaches at the Marshall School of Business at the University of Southern California. He is the co-author of *Tribal Leadership*.

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