

# Under the Buzz **NUGGETS**



## **Commentary on Business Strategy for Tech Company Executives & Professionals**

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*Under the Buzz - NUGGETS* is an email "viewsletter" published by Philip Lay, managing director at TCG Advisors, a Silicon Valley-based firm that helps executive teams in tech companies to deal with complex strategic, organizational, and operational challenges. Now in its twelfth year, this journal is published periodically and delivered free to subscribers via email on an opt-in basis. It is also posted on TCG Advisors' website, <http://www.tcg-advisors.com/Library/utb/utb.htm>, where back issues are also available.

*Starting in 2011, Under the Buzz NUGGETS is going to replace the original Under the Buzz, which has been published for the past eleven years. My aim with Nuggets is to provide ... well, Nuggets of wisdom, generally in a smaller, more consumable package than was typical with Under the Buzz. For this first issue, I invited John Hamm, author of a new book called Unusually Excellent, to describe five of the costly mistakes that leaders regularly commit, and the corrective action they can take to remedy them. I hope you find his argument compelling...*

*Philip Lay*

### **Have You Earned the Right to Lead?**

Five deeply destructive mistakes that suggest the answer is no  
(and how to stop making them)

By John Hamm, author of *Unusually Excellent* (2011, Jossey Bass)

This article is aimed at explaining why your employees may *not* see you as the leader you want them to see...and what you can do to change their hearts and minds.

There are people in every organization, at various levels on the org chart whose titles indicate they are *leaders*. Unfortunately, their employees often beg to differ. Oh, they don't dispute it directly, not to the boss's face, anyway. They say it through their ho-hum performance, their games of avoidance, their dearth of enthusiasm. Leaders—*real* leaders who have mastered their craft—don't preside over such lackluster followers.

When times are good, not-so-great leaders can get by. They're cushioned by a surplus of cash, and their mediocrity is covered up by top-line growth, which always masks a multitude of sins. But when the cloak of prosperity falls away, their ineffectiveness is ruthlessly exposed. Real leadership equity is earned, not bestowed. Just because you have been granted authority doesn't mean you're getting the full, collaborative engagement of your team. You may have their bodies and their time, forty or fifty hours a week, but until you earn the right to lead, from their point of view, you'll never have their hearts and minds.

I wrote *Unusually Excellent* as a back-to-basics reference book for leaders at all levels that offers them an actionable framework for applying the battle-tested fundamentals of leadership at every stage of their careers. These aren't radically new ideas. Human nature hasn't changed that much over the millennia, neither have the core laws of leadership. It's just that in the heat of the day-to-day battle, leaders inevitably lose their grip on the proven principles of great leadership.

Below, excerpted from *Unusually Excellent*, are five of the most common, deeply destructive mistakes organizational leaders make:

**MISTAKE #1: "Role playing" authenticity rather than living it.** Authenticity is about owning your true self, including your failures and shortcomings. It's about the courage to allow others access to the real you and what makes you tick. It's about having the guts to seek feedback from others in a sincere and genuine fashion. And it's about being able to *maintain your authentic self* in a situation of meaningful consequence—where your decisions affect others, sometimes on a grand scale and sometimes in very personal or dramatic ways.

Knowing who you really are and holding true to yourself in the most difficult moments is the 'ground zero' of leadership credibility. Authenticity is essential to create the trusted connections you need to lead with real influence. Unfortunately, leaders stumble in this area for a variety of reasons: They get scared and veer away at the last moment, or they sacrifice the truth at the altar of protecting other people's feelings, or they simply seek to avoid the pain of conflict.

**MISTAKE #2: Squelching the flow of "bad" news.** Do you (or others under you) shoot the messenger when she brings you bad news? If so, you can be certain that the messenger's priority will soon change from bringing you the information you need to protecting her own hide. That's why in most organizations good news zooms to the top, while bad news—data that reveals goals missed, problems lurking, or feedback that challenges or defeats our strategy—flows uphill like molasses in January.

Unusually excellent leaders understand this reality and they fight this by building an insatiable demand for the unvarnished facts, the raw data, the actual measurements, and the truth about the results. They learn to avoid communicating "judgment" on the information they receive, knowing that this judgment is often conflated with a performance review of the messenger.

**MISTAKE #3: Punishing "good failure."** Great organizations encourage risk-taking. Why? Because true innovation demands it. There is usually no real reward without taking some risk. But if your employees swing for the fences and strikeout and you come down on them like a hammer, guess what? They'll never take those

chances again, they'll play it safe in every way. Once burned, twice shy. Unusually excellent leaders deliberately create *high-risk, high reward, low-cost environments* - cultures of trust—where there is no paralyzing fear of arbitrary consequences for honest mistakes.

**MISTAKE #4: Allowing people to “fail elegantly.”** There are two basic operating modes for organizations under high-stakes execution pressure. One is the mentality of *winning*, which we know about; the other, less obvious to the untrained eye, the disease of *failing elegantly*, is a very sophisticated and veiled set of coping behaviors by individuals, the purpose of which is to dodge the oncoming train of embarrassment when the cover comes off the lousy results that we'd prefer to avoid.

Essentially, the moment people stop believing in their heart that they can win, they often devote their energy to look the best they can when they lose. This behavior often manifests as excuse-making, blaming other people or factors outside their control, reframing the failure into a secondary win of some nature, or manipulating and editorializing data. Unusually excellent leaders know how to recognize these rationalizations and intervene with urgency and strength of conviction to return everyone to a belief in the committed outcome — a.k.a., *the winner's mindset*.

**MISTAKE #5: Underestimating the weight your words—and your moods—carry.** The story of John Adler, a senior vice president at Amdahl, a pioneering company in Silicon Valley, is instructive. John was walking down the long hallway to his office and encountered some maintenance workers doing routine repairs. He greeted them cheerfully and then, just to make conversation, mentioned how difficult it must be to work in such a dark hallway.

The next morning when Adler came to work, he was surprised to find five maintenance men all carefully replacing every light bulb in the hallway. When he questioned the flurry of activity, the men said, “We're replacing the light bulbs, boss. You said it was too dark in here.” This story illustrates why leaders need to be thoughtful about every word they say—because others certainly will.

So if you recognize any of these mistakes in yourself, are you forever doomed as a leader? Of course not. We're all human, and we can all learn from our errors and improve our competence in all areas of leading. Leading is a choice, and leadership competence is a commitment. It is a deep, burning desire to engage with people and rally a community to achieve greatness. Leadership can be difficult, thankless, frustrating, maddening work at times. It is only the passion of leading on the field—the thrill of looking other human beings in the eyes and seeing their energy, willingness, trust, and commitment—that makes it all worthwhile, in a very personal, quiet, and private way.

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**About the Author:** John Hamm is one of the top leadership experts in Silicon Valley. He was named one of the country's Top 100 venture capitalists in 2009 by AlwaysOn and has led investments in many successful high-growth companies. Hamm has also been a CEO, a board member at over thirty companies, and a CEO adviser and executive coach to senior leaders at companies such as Documentum, Cisco, Hewlett-Packard, TaylorMade-adidas and McAfee. John teaches leadership at the Leavey School of Business at Santa Clara University in Silicon Valley. See [www.unusuallyexcellent.com](http://www.unusuallyexcellent.com) for further information.

*Under the Buzz - NUGGETS* offers commentary on strategic and operational issues facing technology companies and executives. The goal is to provide provocative insights into the latest events and thinking shaping this continually evolving sector. © 2011 - Philip Lay

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