

Preface

Julian

For a number of years I have been asking myself two questions: ‘How can I help leaders appreciate the contribution their own personal development makes to increasing their value to the business?’ and ‘How can I help leaders understand that leadership presence, stature and influence are most easily enhanced at a psychological level?’

I have been on a long journey exploring these questions, and have created a small leadership coaching firm called PPD Consulting to help answer them. Two of my most significant influences along the way have been Robert Dilts and Anne Deering.

Since he was a student 20 or so years ago, Robert has been a pioneer of an applied psychology toolkit called neuro-linguistic programming (NLP). He has made NLP available to a broad range of professional audiences and, in particular, he has made it accessible to business consultants, trainers and coaches. Thanks to his pioneering work, NLP tools are now widely accepted as being essential to a business trainer’s toolkit. In short, Robert is one of the most prolific authors and thinkers I have ever met.

Anne is a vice president at the consulting firm A. T. Kearney, the firm you call in to deliver value to your business, or if you need to restructure your organization to take advantage of a new technology or a changing market. Anne works at the hard end of business consulting, and is someone who epitomizes many of the relationship management and leadership qualities spoken about in this book. She coaches leaders who are about to go into battle, or are already in the midst of it, with extraordinary sensitivity, compassion, and courage. In addition to all of this, Anne has managed the Kearney hub for intellectual capital, bringing new consulting approaches into the firm.

All three of us share a passion about integrating the ‘outer’ and the ‘inner’ dimensions of leadership. The ‘outer’ dimensions concern how you shape

and manage a business to achieve its objectives in the marketplace. The 'inner' dimensions concern how you organize yourself psychologically to be alert to your environment, to have a presence or stature that makes people want to follow you, the thinking skills to know what is important, and the influence to encourage people to give of their best.

The vigorous and enjoyable conversations that have led us to write this book have enhanced the way in which I work with leaders to integrate these dimensions. I hope this book increases your personal satisfaction and your value to your organization.

Robert

There is a common legend in the Silicon Valley area of San Francisco, where I was born and raised, about powerful and successful businesses and business ideas that started out as scribbles on the back of a napkin over dinner and drinks. That is indeed how this book started; except that it was a paper tablecloth instead of a napkin.

Anne, Julian and I share a common passion for leadership, and the positive influence it can have on people, companies and the world. We had all been involved in leadership, including coaching business leaders, for a number of years and had established a friendship as a result of common projects and interests. On one of my trips to London a couple of years ago, we met for dinner. As we shared ideas and experiences, the vision of a leadership book began to emerge. As we talked, we made notes and sketched out key themes and ideas on the tablecloth. Each idea that we shared seemed to spark another idea, insight or 'aha', and we quickly reached one of those peak experiences of 'flow'. By the time dinner was over, we realized we had the makings of an exciting new approach to leadership that brought together both leading edge principles and pragmatic tools that could make a profound difference in the day-to-day experience of managers struggling to keep up with a changing economy and a changing world.

Determined to follow up on this initial flash of insight and enthusiasm, we continued meeting whenever we could. These periodic meetings switched to weekly international teleconferences as we approached the final stages of writing and editing.

The result is the book you are holding now. This book arose as a result of experience, passion, mutual respect, insight, shared vision, commitment

and teamwork between the authors, and these qualities are precisely what we hope the book brings into your life and into the teams and companies with which you work.

Anne

I am 42, mother of two small boys (Sam, aged four and Ben, aged three) and a 7-month-old baby, Sophie. I am also a management consultant – a demanding job, with long hours, lots of travel and high pressure to deliver against tight deadlines.

About two years ago, the tension I had felt for a long time between work and home – between doing well in my career and actually knowing what went on at nursery school; between dedicating all my non-working hours to the children and actually having some time for myself; between doing what was right from one point of view but seemed wrong from the other – became intolerable.

Then I started working with a coach, Julian Russell. Within a few months, I felt a sense of what I can only describe as peace. I felt aligned with what was important to me, there was a greater sense of congruence in how I spent my time, and I made choices with more confidence. All of this contributed to a profound transformation of my experience of work.

Applying this thinking with my clients, I found that these lessons and approaches had a significant impact on their ability to lead complex organizations, and on their sense of fulfilment.

As Julian and I reflected on our shared experience, and then talked about it and about the changing nature of work with our friend, Robert Dilts, we set out on the journey that has culminated in this book. It is our attempt to share the models and approaches we have developed in the hope that they may also help you in your search for a more integrated and successful life.

Acknowledgements

Two thinkers have provided the starting point for this book: Kevin Kelly with his seminal article and book, *New Rules for the New Economy*, and Margaret Wheatley with her ground-breaking *Leadership and the New Science*. Reading these texts made us start to consider what leaders should do differently to respond to the challenges they describe. We are indebted to both for their inspiration.

Many other thinkers and writers have contributed to our research, including Joel Barker, Richard Bandler, Gregory Bateson, Wayne Bukar, Ram Charan, Stephen Covey, Jim Collins, Ian Cunningham, Chris Edwards, John Grinder, Charles Hampden-Turner, Bill Isaacs, Jasper Kunde, Kelly Marks, Jerry Porras, Mel Scott and J.D. Thompson. For their creativity and generosity with their ideas, thank you.

For their energy and enthusiasm in reviewing and helping us to refine early versions of this book, many thanks to Hamish Bryce, John Higgins, Louis Scenti and David Thompson. Too many people helped us with the title for us to mention them all – you know who you are. Thank you!

To the people who put in so much hard work in making this book a reality, our gratitude, especially to our friends at Wiley – Claire Plimmer, Karen Weller, Rachel Wilkie, Peter Hudson, Melissa Cox, Ellie Gilbertson, Jenny Athanasiadou and Suzan Wiggins for their superb graphics and patience with endless adjustments; Claudia Goddard and Joyce Adams for their tireless support and cheerfulness; Jenny D'Angelo for her keen eye and warm encouragement; Tanyia Brown for her loving care which created the time in which to write.

Most especially our thanks go to Tom Lloyd for his professionalism, expertise and creativity.

To our friends and supporters, John Dilts, Myriam Kamhi, Ewa and Chris Robertson, thank you for keeping us sane and on the right path.

And most of all, our love and appreciation to our partners and families, Angus, Sam, Ben, Sophie, Cynthia, Anne, Martin, Anita, Andrew and Julia, for being there and helping us grow.

Introduction

This book describes a new model of leadership. We call it *Alpha Leadership*.

The approaches and tools we present here offer you ways to be successful as a business leader, ways to reduce stress and to promote happiness, at a time when these goals seem impossible for most people struggling to make sense of the workplace and its demands.

Alpha Leadership is a product of conversations between the three authors about what makes a leader successful – a sharing of case studies and research that has taken place over the last four years, during a period of unprecedented change in the business environment.

Despite our different backgrounds and experience, we were struck by the commonality in our research on successful leaders. It seemed that a new set of basic themes of leadership was emerging, that was consistent on both sides of the Atlantic, across traditional businesses as diverse as manufacturing and financial services, dot.coms through boom and bust, and the emergent dot.corps.

Our work showed that those who have led their organizations to survive and thrive in a turbulent world excelled in three separate but related dimensions that we call Anticipate, Align and Act.

By ‘anticipate’ we mean the ability and the eagerness to detect and respond to weak signals or trends, in order to ‘get ahead of the curve’. Successful leaders have the mental agility to respond appropriately to these signals, and create organizations fluid enough to respond quickly to new circumstances.

By ‘align’ we mean achieving congruence in your own values and desires, and the values and desires of others, so that you can create coalitions and aligned organizations able to act effectively in pursuit of the business’s goals.

Much management effort is being devoted these days to winning hearts and minds, and inducing people to commit to visions and missions, in the belief that belief itself will galvanize effective action. Usually, however, the

visions stimulate nothing but apathy. As a senior executive said to us recently, 'I pull every lever available to me in the organization and nothing happens. It's like pushing on Jello, it just springs back.' The Alpha test of effective leadership is the degree to which people's *feet* are engaged and, more importantly, the direction in which they are walking.

In other words, anticipation and alignment are worth nothing without appropriate and timely action. Ultimately, actions are all that separate business winners from losers. By 'Act' we mean establishing what is important to achieve the business's goals, and doggedly persisting in areas that make a difference.

At the heart of all three dimensions lie clarity and constancy of purpose – the business's *and* the leader's. Successful leaders focus and stretch the business's goals, are clear about how the business creates value and have a strong sense of connection between their personal mission and their business role.

Alpha Leadership is our attempt to describe and synthesize these themes.

The genesis of an idea

We developed the Alpha Leadership model based on a wide range of research and experience. We have each worked with business leaders for more than 15 years, from Silicon Valley to rust belt industries, in the United

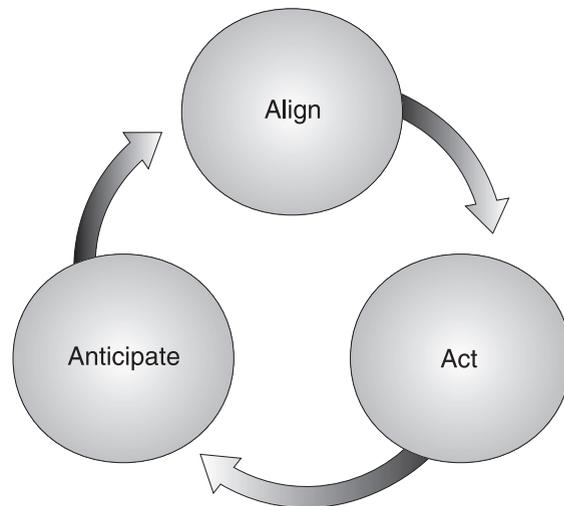


Figure Int. 1 *Alpha Leadership*

States, Europe and Asia, and in contexts as diverse as traditional management consultancy, the development of a psychological discipline (Neuro-Linguistic Programming) and its application in business, dot.com venture 'catalysm' and funding, and the modelling of leadership behaviour spanning decades of business performance.

As our conclusions took shape, we became increasingly convinced that traditional approaches to leadership place far too much emphasis on action, and not nearly enough emphasis on anticipation and alignment. It is the volatility of the environments, and the networked, knowledge-based nature of the organizations in which action has to be taken, that make anticipation and alignment so crucial. We observed that leadership skills that are key to success in today's corporate world are not taught in business schools, are rarely discussed by business academics, and are not recognized within corporations as they recruit, promote and train their staff.

We noticed that business conversation was all about the 'war for talent' – and yet the solutions presented were all 'outside-in' (what the corporation needed to do to ensure people stayed, to 'make' their values align, to retain them) rather than 'inside-out' (the alignment of an individual's sense of purpose with how he or she spends time at work, and the fit of an individual's skills to the demands of the job).

In writing this book we sought to fill some of these gaps in the lexicon of leadership.

Work–life balance?

It is impossible to write a book about leadership in the 21st century without making reference to work–life balance. The statistics are daunting: 76% of managers want to spend more time with their families; 50% say they feel too mentally and physically exhausted to do anything but work or sleep; 30% say their lives are out of control; one in five say they are too stressed to enjoy their lives at all.¹

And yet we have never been more materially successful: we earn more than ever before, we have more purchasing power, more leisure travel and our children have more material possessions.

So what is going wrong? An extreme imbalance seems to be at work, where success in the workplace spells dismal failure in other parts of our lives. We are all familiar with the symptoms of today's executive malaise –

knowing the airport lounge better than your own living room, pushing the 'door close' button on the lift because five seconds is too long a wait, children who are happier being comforted after a nightmare by granny, nanny or the babysitter (just about anyone but you, the parent), the overwhelming sense of overload and the desperate feeling that there is no way out.

There is a way out. We believe that with a new definition of leadership, and with some practical tools and approaches that can be readily applied in our daily lives as leaders, we can take control over our business lives and enjoy living them again. We need a different model of business leadership if company leaders are to learn how to do their job of making things happen, without becoming what one senior executive's spouse called 'vice president of long hours and no fun'.

It is not work that is the problem. It is the way we manage and prioritize work, and the need for alignment between what really matters to us and how we spend our waking hours.

We believe that 'work-life balance' is itself a misnomer. Work is clearly an important part of life, and it is unhelpful to polarize it as something other than, and at odds with, the rest of our lives. We believe the answer lies in integration rather than balance, making sense of our work lives so that we understand and accept how the hours invested at work fit into our overall sense of purpose, and learning how to work smart rather than hard, so that we can release time from work to be spent at home, at leisure and in the community.

The tools and approaches in the chapters that follow will help you to achieve these aims.

Tips for navigation

Alpha Leadership takes an 'inside-out' view of leadership, starting with the individual and his or her values and sense of purpose, rather than the conventional 'outside-in' approach, which holds up examples of great leaders that all aspiring leaders should try to emulate, irrespective of what kind of people they are and what kind of situations they find themselves in.

Our aim was to write a practical, 'how to' book, derived from our experience of one-to-one executive coaching, leadership development, start-up company greenhouses and business consulting. We provide readers with

ideas, tools, approaches and frameworks that will help them perform better as business leaders and feel better as human beings.

Each chapter starts with a parable or story, which usually has nothing much to do with business, but which we believe sheds interesting light on issues and problems facing business leaders. This is followed by a 'sense making' section that interprets the story and relates it to real-life examples. Each chapter ends with a set of tools designed to help you develop, exploit and adapt the ideas and concepts covered by the chapter.

In accordance with the journalistic rule 'say what you're going to say, say it, and then say what you've said', the book begins with this introduction to the book's main themes, explores them in detail in three parts under the headings 'Anticipate', 'Align' and 'Act', and ends with a short, concluding chapter sketching out the overall shape and content of *Alpha Leadership*.

Part I focuses on 'anticipation'. Chapter 1, *Detecting Weak Signals*, examines the dilemma created by the conflict between ensuring that action is both appropriate and timely in a rapidly changing business environment. For action to be appropriate, it must be based on an intimate understanding of the circumstances, but action will only be timely if it is taken before the circumstances become clear.

Only by detecting and reacting to the 'weak signals' that precede the strong can company leaders keep the organizations in their care on the leading rather than on the trailing edge of business evolution. Weak signals must be their 'stock-in-trade' because, by the time business opportunities or threats are clear and unambiguous, it is too late to exploit or evade them.

In Chapter 2, *Developing Mental Agility*, we look at some of the qualities necessary for leaders to be able to respond to weak signals effectively. Mental agility is the basic requirement, but it is not enough on its own. Leaders also need open spaces to be mentally agile within. Agile leaders see the circumstances that confront them from a variety of perspectives. They are fixed in their purpose, they constantly reevaluate their goals, and are extremely flexible in the means they adopt to achieve those goals. They know when to be unusually creative within the bounds of their current objectives, and when to leap over those boundaries and propose something entirely new. They equip themselves with a range of options, and they keep as many as possible of those options open, for as long as possible.

Chapter 3, *Freeing-up Resources*, focuses on the qualities organizations need if the mental agility of their leaders is to make things happen.

However sensitive they are to weak signals, and however flexible they are when interpreting them, leaders will be unable to trigger timely and appropriate action unless their organizations can rechannel energy and redeploy resources, quickly. When resources are 'locked up' in existing assignments by structures, rules or habits, the organization will be unable to respond to opportunities and threats effectively, and its powers of 'self-organization' will be frustrated.

The relationship between the leader and the led is so fundamental that we devote the whole of Part II to it. The theme in these three chapters is 'alignment': the mostly tacit negotiations that go on between the leader and the led, the outcomes of which form the basis of their relationship and so determine the 'leadability' of the organization. Leaders must find ways to stimulate *concerted*, as well as appropriate and timely action. Everyone has to be ready to act effectively and quickly. The whole organization has to be on the surfboard, waiting for the wave before the crest forms.

In Chapter 4, Leading Through Embodiment, we look at the contribution the leader's personality and style can make to the alignment of an organization. The central idea in the story of Monty Roberts, the 'Horse Whisperer', is that although horses will run away from strange humans at the slightest provocation, they will follow and 'join up' with interesting humans who appear to pose no threat to them.² We share with horses a desire to join up, join in and be part of something. We shy away from forceful demands for loyalty and commitment, but we flock to and swarm round focal points where 'cool stuff' seems either to be happening or about to happen. Good leaders work with our hunger to involve ourselves, with others, in interesting work and exciting projects. They influence and seduce, rather than command, and try to become 'attractors', as complexity scientists put it – the embodiments of attractive energy, the centre of the swarm.

But leaders can only be attractive, in this sense, when they themselves are truly aligned. Alignment starts from the inside, out: being sure of who you are and what your 'calling' is, understanding and projecting your values and abilities, and ensuring that these inner qualities and resources are fully aligned. In short, there is no substitute for being an authentic and coherent person. That is not to say you need to be perfect: your faults don't matter if you know what you are good at, work on your weaknesses and don't pretend to be anything you are not. Just as horses will only follow if you look like you know where you're going, and it looks like a good place to go, so, too,

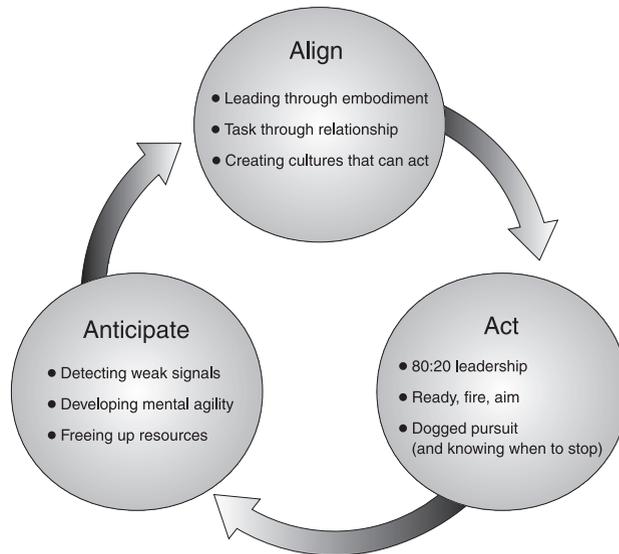


Figure Int. 2 *The nine principles of Alpha Leadership*

today's leaders need a high degree of internal alignment before they start asking others to follow them.

Chapter 5, *Task Through Relationship*, shifts the focus from the leader to the relationship between the leader and the led. We explore the distinction made by Mary Parker Follett between 'power over', and 'power with'. Follett was the first management writer to address the difficult problem of authority in business, and to question the 'right' a leader has to issue orders. She concluded that 'one person should not give orders to another person . . . both should agree to take their orders from the situation'.³

The so-called 'war for talent' is evidence that many modern company leaders are routinely flouting Follett's 'law of the situation', by failing to take fully into account the wider interests of their employees.

Chapter 6, *Creating Cultures That Can Act*, concludes Part II by bringing leader and led together again, and exploring the cultures that emerge from their relationships. We argue that not all organizations that are aligned with the laws of the situation and have leaders who can anticipate, acquire cultures that can *act*.

Rogues and mavericks play a vital role in action-oriented cultures, because there is a tendency for organizations to become wedded to assumptions about the way they do business and their strengths and weaknesses. These embedded (often unconscious) mental models and points of

view need to be reviewed regularly if the organization is to remain healthy and alert. Rogues and mavericks can keep their organizations honest, but only when the leader values them and acknowledges their right to speak out and criticize.

Cultures that can act are 'open' in the sense that dissent is treated as a vital part of the organization's nervous system. Existing mental models and points of view are always provisional and subject to continuous revision when new information, however weak the signal, is received that casts some doubt on their validity.

Part III focuses on action. Chapter 7, 80:20 Leadership, explores the need for leaders to find time and space to think deeply about priorities. It is important to 'do things right', but it is equally important to 'do the right things', and 'in the right order'. The difficulty is that leaders must be perceived by the led to have mastered the day-to-day detail if they are also to be seen as credible priority setters. If the led believe their leaders haven't got a clue about what is going on at the front line, they are hardly likely to be willing to follow them in a new direction.

It is hard for leaders to let go of the detail, particularly when they have to embody their organizations' styles, but if they cannot step back from the action today, the action tomorrow will not be appropriate or timely. Leaders have to be visionaries, with their feet firmly on the ground – dreamers and doers at the same time.

In Chapter 8, Ready, Fire, Aim, the focus switches from general goals to particular targets. The difference between a gun and a guided missile is instructive. Guns are not much good with moving targets, and most worthwhile targets are moving these days. Leaders need to develop action-oriented cultures, because when the targets are moving and are only in range for a moment, speed is more important than direction. The trick is to fire your missiles quickly, in roughly the right direction, and then rely on in-course corrections to zero in on the goal. In a fast-moving world, the market will probably have changed by the time your plans have come to fruition, so take action early and modify your plans as you go. This trial-and-error approach should be applied to every kind of action, from strategy formulation and marketing, to purchasing and selling.

That is why weak signal detection is so important. You need to spot threats and opportunities early so you can act early. You need to keep alert so you can detect subsequent weak signals that change the picture. And you

need to maintain enough in-course flexibility to be able to adapt your action plans immediately, in the light of new information.

Chapter 9, *Dogged Pursuit (and Knowing When to Stop)*, explores the fine line between doggedness and stubbornness. There is always a limit to how much energy the organization can muster at any one time, and leaders are effectively directing that energy when they identify priorities. The dilemma here is that organizational energy is precious, and may be squandered if its momentum is not sustained, but flexibility of approach is just as precious. Leaders must be dogged in pursuit of their priorities, without damaging their organizations' responsiveness to change.

The trick is to understand what is worth pursuing through thick and thin. Projects and change programmes should be ruthlessly evaluated and cut unless they prove sufficient value in support of the organization's purpose and visionary goals. Establish fixed, measurable goals, general enough to remain appropriate for the foreseeable future, and keep expressing and pursuing them in various ways until they are achieved. A goal must be general if it is to be durable, but it must also be clear, and progress towards it must be measurable if it is to gather sufficient momentum.

The final chapter summarizes the ideas and prescriptions set out in the three, central parts of the book, and describes how the interactions between them comprise a new model of leadership for the 21st century.

That is the plan of the book, but feel free to start wherever you like, and dip in and out of whatever parts or chapters catch your fancy. Each chapter is self-sufficient, in the sense that it includes its own set of principles illustrated by stories and anecdotes, and its own set of tools designed to help you implement the principles.

No two leaders face the same set of challenges, and even if they did, there is no reason to suppose the same solutions would be appropriate for both of them. We live in an equivocal world, with complex people who see things differently from us. But this does not mean that the sharing of experiences and the search for common themes and rhythms are fruitless.

The Alpha Leadership model we describe in the following pages is not a cookie-cutter version of reality that will work in all circumstances, for all people. Instead, we have tried to pull together, from our combined observations of what has worked for other leaders, a set of tips, clues and hints that may work for you.

We will often appear to contradict ourselves. We will urge you to build in redundancy, for example, *and* stretch resources; be agile beyond boundaries, *and* recognize your boundary constraints. The issues we are exploring with you here are not simple ones. As quantum physicist Nils Bohr put it: 'There are two types of truth. In a superficial truth, the opposite is false. In a deep truth, the opposite is also true.'

If, by sharing these ideas and approaches with you, we can help you to be more successful, to relieve some of the pressures of work and rediscover its joys, we will have succeeded in our aim.

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