



Guttman Insights

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Jeff Erle is CEO of MobilityWare, an Irvine, California-based mobility-app company that markets the world's top-selling Solitaire game for mobile devices. In addition, the company has created 25 apps for mobile devices, along with a host of new ones in development. The company is in the high-growth mobile game segment and has doubled in revenue each year for the past several years.

What's your biggest leadership challenge?

The company is owned by two founders who want to scale back and pass the baton to someone who has the know-how to scale the business from a small start-up to a mid-sized enterprise. One challenge is to continue to grow the business and build a more corporate-type structure without stifling the highly creative, informal, and fun culture that exists. Another challenge is to bridge the gap between the creative, informal millennials and the traditionalists in Accounting, Marketing, and such, who have been around for a while.

So there is a clash between the geezers and the geeks?

There is the potential for a culture clash. But we've found a way not only to coexist, but to actually collaborate.

What's your solution?

A successful status quo is your worst enemy. It becomes your story about why it's okay not to change. You know: "If it's not broke, why fix it?" Our industry is littered with the skeletons of one-hit wonders, like Candy Crush. They stopped innovating and didn't spend money and talent on developing the next hit.

A happy, healthy, and prosperous holiday season and 2015 to our readers from the GDS team. This is a time of celebration and reflection. It's also a time for anticipation. Let's set a collective intention: The best is yet to come! In this issue, Jeff Erle talks about the challenges of managing creativity in a high-tech, millennial environment. Howard Guttman deals with commitments: both keeping them and breaking them without breaking relationships. GDS Consultant Gisele Garcia weighs in on the changing workscape and the challenges it poses for alignment and engagement. And take the seven-question test to find out if you are a "talent management" sinner. All this in a five-minute read.

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Leader's Corner: MobilityWare — The Business of Games

What's the vibe at MobilityWare?

We have gamers, game rooms, and games played on every device on the planet. It's how we stay current, iterate, and test. There's lots of social interaction. This is not your typical business. Our company is not obsessed by making money per se. It's driven by a gaming culture that is young, fragmented, informal, and mostly millennial. Our funky, artistic culture of innovation drives the business.

How have you avoided the one-hit wonder syndrome?

You've got to be proactive, investing in innovation, hiring the right people, and setting them free—empowering them to innovate, test, experiment, fail, and do it again. Mobile-app development is an extremely iterative process. You have to allow the creative juices to flow at whatever pace they flow. You can't force creativity into a box.

Is there some way to manage the process?

No. You have to let your team go on the search for the next big thing. The process doesn't lend itself to constraints.

What's the process of discovering a new app?

It's a whole new world out there! There's no existing user base to tap into to conduct market research. Users don't know what they want because they haven't seen it yet! Whether it's Solitaire, Candy Crush, or even Monopoly, to fill a need that you don't know you have you have to play the game. That's why developers that look back and not forward won't come up with the next big thing in mobile apps. The past is the enemy.

The first capability-building experience for your team was putting everyone through the GDS "Developing High-Performing Leaders" program. Why?

I assembled a new team in the first 60 days. There was not enough history of working together as a team to first hold a team-alignment session. I really wanted my direct reports to learn the HPT (High-Performance Team) language.

That language equates with an important set of behaviors. So, when we talk about "no triangulating" everybody knows what that means. I wanted to get started right away because I know how powerful the language and process are in bringing about behavior change.

And the results?

"Developing High-Performing Leaders" was not merely a training experience, but a team-building event. Participants built trust and relationships; they exposed points of view that were previously hidden; they learned how to play in the same sandbox; and they learned how to manage their people better. The company founders, who were initially very skeptical of the process, said at the end of the session, "Why would you ever NOT want to be a high-performing team, especially when things get done more efficiently, faster, with less friction, and more profitably?"

Can you give an example of a specific change that you have made as a result of the HPT process?

We're now managing meetings for speed, clarifying issues, and resolving them by assigning ownership, stakeholders, and a time frame. This has shortened issue-resolution time. Making everyone aware that there are three types of decisions—unilateral, consultative, and by consensus—has completely changed how people talk about and make decisions. The members of my team are now using the same process to manage their team meetings.

How did the HPT concepts play with the younger, creative members of the team?

Many of the creative people have never been taught how to manage their people better. They readily embraced the process. They saw it as logical, practical, encouraging candor, and making great sense. The meeting protocols and decision-making protocols were epiphanies for them. The session changed my team's morale, behavior, and emotional acceptance of the process. They're excited about the next step, which will be an alignment.

Since you are in the high-tech segment, any thoughts about the dangers of e-conflict?

I see plenty of e-conflict, but it's not in e-mails. It's in texting and chats. The younger generation has basically abandoned e-mail. Communication has largely been reduced to 140 characters. If you think about the shortcomings of e-mail, imagine the shortcomings of texting, with compacted messages that can be shared quickly and with a large number of people. If someone posts something anonymously in a chat room, and you're blindsided by it, that takes e-conflict to a whole new level. If this hasn't hit your company yet, beware. It's coming!

What steps have you taken to role-model high-performance leadership in your unique environment?

I've worked hard to cultivate a culture that rewards candor. I demonstrate great candor, which I try to accomplish professionally. I am very direct and say things that others may think, but choose not to say. I also publicly applaud and reward candor in others. It's the only way to achieve a high-performance team and organization. ●



Should You Break Commitments?

by Howard M. Guttman

Keeping commitments can be one of the most difficult things an organization can do—and one of the most important. According to a global survey conducted by Accenture, 70 percent of American consumers report that companies made a commitment to them and, of these, 40 percent say the companies failed to keep it. That's a lot of unhappy customers! And if any evidence is needed about the effects of broken commitments on a company's bottom line, IBM's handing of employees in the late 1980s and early 1990s should serve as a stark reminder of why companies should be wary of breaking commitments to their workers.

Commitments are the ground zero of accountability. By now, readers of this column are familiar with the “ladder of accountability.” Each rung is really a commitment, the ultimate one being a commitment to be at stake for the success of the enterprise, not just for yourself or your function, which is the first and lowest rung of the ladder. High-performance players commit to replace WIFM—What's in it for me?—with WIFUS—What's in it for us?

A commitment is a behavioral expectation. In a high-performance organization, that commitment is a shared one, publicly made, team by team. That gives commitment great power. Every member of a team publicly declares his or her intention to adhere to a new set of expectations, ground rules, and ways of behaving. It's a commitment to move beyond functional self-interest, underground behavior, lack of integrity and transparency, obstructionism, and mediocrity. That commitment unleashes a collective will to win that makes horizontal, high-performance organizations formidable competitors.

Repairing Broken Promises: The High-Performance Way

No organization, not even a high-performance one, is perfect. Put people with different backgrounds, goals, capabilities, and beliefs together, and you have the recipe for trouble. But in high-performance contexts, there is a built-in corrective.

There is an expectation—actually, a shared commitment—to “go there” to call out a colleague who may have defaulted. That's where having difficult conversations and managing conflict become de rigueur and why the skills to do so become essential when you play at a high-performance level.

Humankind has been breaking commitments ever since the Garden of Eden—and things are unlikely to change anytime soon. So, if you absolutely have to break a commitment but do not want to do irreparable damage to a relationship and also want to remain true to the high-performance mind-set, here are five guidelines to help manage the situation:

Humankind has been breaking commitments ever since the Garden of Eden.

Accept Accountability. Breaking a commitment is a choice, one that you make. Own it! Say to the members of your team, “I broke my commitment. Here is what led me to do so.” Anything less than full accountability comes off as either manipulative or limp excuse making of the “dog ate my homework,” grade-school variety.

Give Advance Notice. At a minimum, inform as early as possible those who are affected by your unkept commitment. After all, forewarned is forearmed. Go beyond information sharing to engagement. Those who will be affected by the broken commitment should have a voice in the solution. For example: “There's going to be a shortfall in revenue this quarter, so the raise I committed to will have to be postponed until at least Q 2, unless we can quickly land a few big accounts. Do you have any suggestions?”

Minimize the damage. If the broken commitment has adverse consequences, as it often does, think carefully about what they are, along with the actions you plan to take to minimize the impact. It sends an “I feel your pain” message and is the best way to preserve a relationship.

Reset the expectation. If the initial commitment proved to be unrealistic, then you need to lower the results. Here, it's important to provide evidence to shore up the practicality of a lowered expectation. Be clear and specific about the promised results: **What** can you commit to at this time? **When** will you deliver? What's the **Extent** of the commitment? and **How** do you plan to deliver the goods?

Commit to Perform. Mae West got it right. "An ounce of performance is worth pounds of promises." Move heaven and earth to avoid a repeat (under)performance. If you need additional support to fulfill a reset commitment, ask for it! You don't want to be a serial offender.

In the real world, it may well be as important to know how to break commitments—or, better, to recalibrate them smartly and ethically—as it is to keep them. The hard rocks of business reality often intrude on the best-laid commitments of executives. Take this scenario: A growing company earnestly seeks to promote women and other minorities; it offers a fast-track development and mentoring program to do so. But then the market explodes and the company faces severe constraints. Growth stalls. Cuts are made. No one is being promoted! What should the company do to balance commitment with reality—and without compromise to its being true to its high-performance principles?

Here is my challenge to readers of this column: Think about the guidelines offered in this column and the insights gained from your own experience. Based on these, how would you deal with the situation just mentioned? Drop me an e-mail and let me know your solution. I'll be happy to pass along your thoughts to our readers. 🌍

Optimizing Your Talent

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Talent management. For the last five or so years, it's been the buzz, especially in HR circles. It's one thing to effectively manage talent—which unfortunately doesn't often happen, especially within the ranks of senior executives—and quite another to optimize it.

In our research at the Guttman Leadership Institute, we've uncovered seven of the most common mistakes executives make in optimizing the value of their organization's human resources. How many of these "sins" are you committing?

1. Viewing talent management as an operational, not a strategic issue

Talent management is just as key to future success as competitive advantage, product/market development, financial oversight, and business growth.

2. Treating talent management as strictly HR's concern

HR plays a key role. But executives who outsource the issue fail to manage a key asset.

3. Not managing the full talent-management life cycle

That life cycle includes everything from becoming the employer brand of choice to post-departure debriefs. Every step must be managed.

4. Not measuring talent-management performance

If it's not measured, it won't be managed. Period.

5. Ignoring the voice of employees

Put your ear to the organization through surveys, focus groups, one-on-ones, town halls, etc. That's half the challenge; the other half is taking action.

6. Not investing in building talent capabilities

Growing and nurturing talent requires an investment: in developing the right skills, providing the right tools, and ensuring opportunities to apply them.

7. Not making talent management part of the reward structure

If you don't pay for performance, you're unlikely to get it.



From a Consultant's Notebook

Gisele Garcia

Here are field notes from a few interventions led by Guttman Associate Senior Consultant Gisele Garcia.

Presenting Situation

As a leader, how do you bring people along with you and align key stakeholders with your intended direction? It's a tough, important challenge, with organizations undergoing massive change, in constant flux, activity overload, time traps causing hurry-up decision making, with stakeholder churn up, down, across organizations. Breakdowns in alignment and engagement are increasingly common. Leaders are finding it difficult to enroll and inspire others and they are often wondering why and frustrated that others aren't with them.

Case #1: Resentful Compliance

The leader of a major business unit in a pharmaceutical company wanted his team and organization to move in a new strategic direction. He asked for input from his team, there was little agreement, and he ignored signs of no buy-in. He asked questions, though he didn't fully listen or acknowledge their concerns, and there was no push-back from the team once they saw him justifying his position. The leader assumed everyone was on board. Bad assumption: he got "resentful compliance" and no commitment. Result: Four months later, things unraveled. Team had enough: underground dissension finally surfaced and the team eventually admitted they weren't on board. The strategy had to be reworked, resources reallocated, and execution was delayed until alignment was finally achieved (i.e., when the leader began to really listen to his team).

Case #2: Plodding Players

Given stiff competition, a team leader needed to move a stuck-in-the-status quo, low-energy team to action. He needed the team to be bold, results-oriented and take ownership. He wanted to tell them what to do and instead, he brought team together and opted not to preach or berate. He felt the best approach was to engage them in co-creating a new direction by let the facts speak for themselves.

He presented competitive information—not pretty. He asked: What are the key takeaways from the data? How should we respond, both from a mind-set and an action perspective? What are the priorities? What are the barriers? He listened intently, and acted accordingly. Joint problem solving led to the creation of eight project teams to neutralize competitive threat. The team's energy level focused and increased and alignment and engagement sky rocketed. Team members now owned the action and results, rather than having the leader shoulder all the responsibility. The team is now hard charging and motivated to win, empowerment is high.

Case #3: Influencing Upward

IT president at a global manufacturer needed to develop and sell a three-year transformational strategy for her function that would have significant cross-the-organization impact which required top team's buy-in. Her "enrollment strategy" engaged top-team members across the organization. Over a 12-week period, she focused on understanding their priorities, getting their input and points of view and listened carefully and receptively – people felt heard and understood. She asked those with reservations what their questions were and demonstrated understanding their concerns; she asked, "what do you need to see?" She clarified and didn't critique. You can't be at stake for, unless you have a stake in, the strategy. She asked for advice, even coaching, from external and internal sponsors and coaches. The result: She built a strong network to help her manage upward. The strategy was aligned with stakeholder needs and signed off by the top team.

Key Insights

Here are the takeaways from comparing leader behavior in the three cases:

- Stakeholder alignment is not an event; it is a perpetual process. Ditto for engagement. The leaders that most successfully align stakeholders and lead rapidly and effectively through change are those who ask for and demonstrate understanding of others' input, concerns, points of view. Warning: Asking for input and not listening is worse than not asking at all.
- Suspend assertion until you fully understand your stakeholders' point of view. Having a tin ear is a leadership liability.
- Influencing and coaching are essential capabilities in the modern leader's portfolio. Fail to use them and you risk coming across as a "fixer," a bully, or someone who tells and directs but doesn't inspire. Use them, and you show up powerfully and bring people with you.
- Time invested in staying connected with stakeholders and understanding their needs, challenges, and points of view is time well spent. Leaders who complain they don't have the time up front end up taking more time in the long run. Slow down to speed up. Focus only on results, and people won't necessarily follow; focus first on relationships, and results will improve.
- If there is conflict or a relationship that is not strong, chances are alignment, engagement, and agreement won't happen. Fix the relationship with key stakeholders and watch them get on board.
- Know where your stakeholders are on the alignment/engagement continuum:
 - > No way I can support it...
 - > I can live with it...
 - > I can support it, provided...
 - > I enthusiastically embrace it....
- When in doubt, seek feedback and coaching. Finding the right balance between active listening and assertion is not easy to self-diagnose, especially initially.
- Influencing and coaching can be learned; the key is consistent and constant practice. Practice with key stakeholders everywhere – at work and at home – and notice how much more aligned you are when you show them that you understand their perspective and, ideally, when they understand yours. 🌍