

Leveraged Conversational Dynamics Net Accelerated Performance

Using Language to Accelerate High-Performance through the Cultivation of Leadership and Extraordinary Teamwork

Introduction

Most executives agree that organizations are often able to produce extraordinary results, independent of size, resources, market and competitive circumstances, thanks to extraordinary teamwork. Hundreds of books on teams, teambuilding and leadership are published every year, with each author offering a different theory or approach to leadership and teambuilding but very little in terms of concrete, actionable distinctions. Thousands of gurus and consultants provide advice that does not leave any significant mark.

One might ask why are there so many different theories and no solutions that make a real difference. Why are there so many companies that are not able to cultivate high performance teamwork, and why do some companies suffer a lack of teamwork at all levels of the organization?

The first answer to the questions above is that high-performance teams rarely occur naturally. They must be created, nurtured and managed. This takes extraordinary leadership with no fear of failure. **Exemplary teamwork is a function of exemplary leadership.** The second and more profound answer is that key executives must learn how to create and lead more effective teams, and they need an effective working methodology to consciously and systematically cultivate leadership and teamwork within the organization.

The purpose of this paper is to illustrate a real, actionable, working methodology for the development of leadership and high-performance teams. This methodology is grounded in certain biological, linguistic and philosophical models developed by thought leaders worldwide. It has been successfully applied to numerous organizations within a broad range of business areas and has helped them significantly increase business performance. There is no such thing as inborn leadership: leadership can be learned and improved upon by studying and practicing the key distinctions and conversations highlighted within this paper.

A Working Theory for the Development of High-Performance Organizations

The fundamental theory, simply stated, says: **we act in language and our language creates the reality from which we act**¹. Consequently, **the key to high-performance organizations lies in understanding and embodying the language-action relationship.**

¹ The concepts and distinctions in this document are derived from a variety of sources. Most notably, in alphabetical order, are Chris Argyris, John Austin, Fernando Flores, Martin Heidegger, Humberto Maturana, and John Searle.

Developing a high-performance organization requires transforming the way team members think and act. **This is accomplished by transforming their conversations.** The conversations a team has or doesn't have are critically important to building relationships: how a team thinks and acts also impacts the team's ability to achieve these results in light trust, gaining alignment and commitment to produce breakthrough results.

Basic Claims

Strategic Momentum operates from a different interpretation of how to look at an organization, its teams and ultimately its people than many of our counterparts. Our interpretation is based on our research and the application of this research within organizational settings. We maintain that organizations don't innovate, people innovate. Similarly, organizations don't execute, people execute.

Fundamental to any organization is the language-action relationship between its people. **For people to execute effectively they have to have the skills to engage in powerful conversations for action and commitment.** This language-action relationship shapes the vision of what is possible; shapes the level of relationship/trust between people; shapes the mood, the degree of alignment and commitment, and the ability of people to coordinate action effectively. The results people are capable of producing are ultimately and integrally shaped by each and every one of these factors.

Understanding and embodying the language-action relationship is critical to understanding how to create and develop extraordinary teamwork. The language-action relationship offers profound insight to the development of the leadership and management required by organizations committed to extraordinary growth and profitability. Strategic Momentum's proprietary approach and methodology for developing extraordinary organizations is based on the following set of interpretations which we use for the sake of design, learning and action:

- **No one has privileged access to the truth with a capital "T."** Each and every one of us has access only to our interpretations. Some interpretations are more powerful than others, while some interpretations are not effective. To build effective teamwork we have to develop methods to verbalize and examine differing interpretations in a spirit of dialogue and collaboration in order to build a shared interpretation among the team.
- **Language does not just describe reality, language generates reality.** We live in language as speakers and listeners. We create our interpretations in language, we declare new possibilities in language and we coordinate action to bring forth these possibilities. **Language brings forth reality.** The power of language to create and shape reality is invisible to many people. Yet language is the cornerstone of successful teamwork.
- **Language is action.** Every time we speak we are in action. Our language can cause the future to change. Action is taken that would not be taken if we didn't make requests, offers and promises. New possibilities would not come into existence if we didn't make declarations. Understanding language and how to harness its power is a fundamental part of effective leadership and extraordinary teamwork.

- **We live and think in language.** We think, and from our thinking, we act. Our mindset (mental models, belief systems, etc.) shapes our action. Our mindset defines who we are. It defines our Being. It defines what actions are possible and what actions are impossible for each and every one of us. In many cases effective teamwork is not a matter of improving skills; it's a matter of changing our mindset. **While our Being shapes our Action, our Action also shapes our Being.** Our actions generate our Being. We evolve based on what we do, and we act based on who we are.
- **Human beings are social, concerned beings.** As social beings we build communities and organizations to take care of our social concerns and our concerns for the future. Our social/historical background significantly shapes how we see the world, our values and what actions we deem as appropriate or inappropriate.
- **An organization is a network of conversations.** Viewing an organization as a network of conversations and understanding the generative role of language allows for a more effective approach to cultivating leadership, creating teamwork and managing change. **Conversations are a core business process.** A team will work or not work effectively based on the quality of its conversations. **Leaders act as conversational agents of the organization.** Conversational competence is therefore critical to achieving extraordinary results.

Leadership as a Phenomenon in Language

Consistent with the claims above, we believe **leadership is a phenomenon occurring in language.** Leaders listen to what is happening in their companies, the market and the world. Leaders speak into existence their vision for the future and then make big requests for commitments and action to bring forth the vision. Leaders create strategic alliances to expand their possibilities through an enrolment conversation. All this occurs in language.

By learning to think in these terms, leaders can begin to exercise an even greater degree of influence over the world around them. That is to say, once leaders see the world as conversations, they can begin to invent a new future by designing new conversations. The leader's 'authorship' affects the livelihood of many other people. The transformational leader must therefore be a critical reader capable of reading and analyzing her/his world and leading the organization to an ever improving world.

While many books talk to the characteristics of exemplary leadership and offer stories demonstrating their results, they fail to explain or demonstrate how to develop or how to teach these characteristics. They outline what leadership does and its results, but do not offer clear insights on how to develop leaders. There seems to be a mystique around leadership and many people talk about leaders being born not made. If this was true, and a person needs to be a "born leader" rather than learning to be a leader, then our pool of leadership talent would be very sparse indeed.

Looking at leadership as a phenomenon occurring in language, leadership can then be viewed as a series of conversations the leader needs to master in order to build his/her leadership capability. What if we looked at leadership as linguistic moves a leader learns, masters and then applies. In this context **the development of leadership becomes a matter of design, learning and practice.** This opens the possibility of everyone in an organization becoming a leader in their own right. This also opens the possibility of

empowering an organization to produce extraordinary results through exemplary leadership at all levels of the organization.

Leadership versus Management

To this point, we've talked about leadership, but what about management? The common view is that executive leadership sets the direction and line management executes. In this view, leadership establishes the vision, enrolls and aligns the organization to execute the vision. Leadership focuses on change and has a five year plus time horizon. Management on the other hand, establishes the detailed planning and budgeting, does the requisite organizing and staffing, controls progress and resolves breakdowns. Management focuses on predictability and has an annual time horizon.

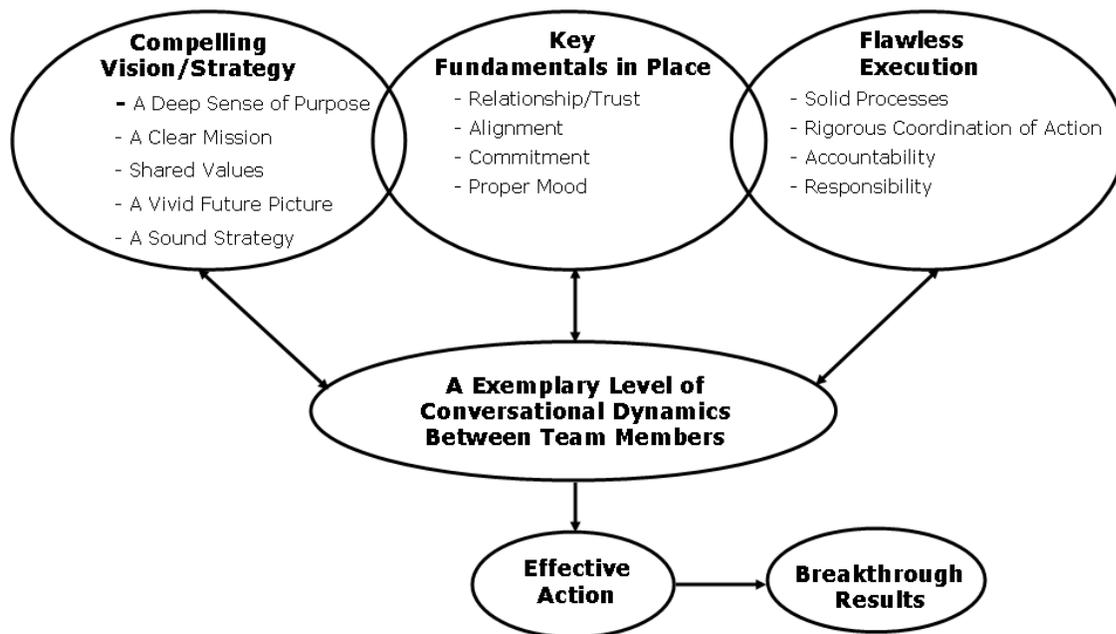
This view unnecessarily limits both leadership and management. In truth, every leader has to work toward a shared vision and every manager has to lead other managers and individual contributors toward achieving the objectives necessary to bring forth the vision. Every function within the organization has to have an aligned purpose, core values, mission and vivid description that is unique to that function but in alignment with and in support of the organizational vision. Every manager and individual contributor has to feel empowered, and also has to learn to lead from the future in the same way exemplary executives lead from the future. This is an empowered organization where everyone is responsible for leading and managing, as appropriate, to achieve the organizational vision

It is clear that the leadership of an organization shapes that organization for better or for worse. Every organization is like a system, and as a system it is perfectly designed to produce the results it is producing. While the CEO/Managing Director has a strong hand in the design, other executive positions also significantly impact the design. Arguably, middle managers and even the individual contributors in each function also impact the design.

The problem is that while part of the design is fairly explicit, most of the design is implicit. By implicit we mean it resides within the "sub consciousness" of the organization. It resides within the conversations people have and don't have. To ferret out these conversations, thereby enabling the whole company to explicitly understand the design and strategy, there has to be a level of relationship and trust within the organization. Without relationship and trust these conversations reside privately and are never made public.

Key Factors Shaping High-Performance Organizations

For an organization to produce extraordinary results, every employee has to be capable of having authentic conversations in key domains. These domains start with the Vision/Strategy of the organization and end with the Conversations for Action to bring forth the Vision. The process requires that several key fundamentals have to be in place. Without these fundamentals, crucial conversations will not occur. Without effective conversational dynamics, it is difficult for the organization to realize accelerated business growth. Extraordinary teams develop an exemplary level of conversational dynamics between the team members and the larger body of stakeholders. Their conversational dynamics shapes their insights, decisions and the ability to take effective action. The actions a team is able to take ultimately effects the results they are able to produce.



The Language and Actions of Leadership

Leaders “read the world” by looking at what is happening in the world and then making interpretations of future trends and how these trends will impact their organization. Allow us to take a minute to discuss the concept of interpretation. The common understanding of interpretation defines it as a passive act performed upon an object such as a conversation or a text. However, interpretation is far from passive. The act of interpretation is active and creative in so far as it creates new conversational dynamics. Interpretation in this respect is a new future-making activity. Interpretation creates the space into which the actualizing vision is realized.

Leaders make sense of the world from their individual perspective. They create a discourse of “what is” and “what could be”. The “what could be” is brought into existence by declaring the future Vision. This is the same way John F. Kennedy, when he spoke to the American people and said, “we will put men on the moon in this decade and bring them back safely,” brought the moon program into existence; he created the moon program by a declaration. Once the leader has declared the future vision he/she then makes requests of the organization to develop the Strategy and put the Structure for Fulfillment in place to bring forth the Vision. To do this, people within the organization make requests of one another and make offers to one another. All of which leads to the requisite commitments in the form of promises.

Ultimately, it is each individual’s commitment to their promise that produces results. And the fundamental instruments for making it all happen is language and empowered conversation. Masterful leaders and managers guide the enabling conversations necessary to enroll and mobilize the organization to produce extraordinary results. In the absence of this conversational competence the organization will have a difficult time creating a prosperous and sustainable future. Effective leaders have to develop the competence to drive these critical conversations throughout the organization.

Declaring a Compelling Vision and Developing a Sound Strategy

Executives have a choice. They can be pushed by their pain or pulled by their vision. Almost every company has a vision/mission statement. Unfortunately, there is some general confusion between these terms. Vision, purpose and mission are often used interchangeably and are not clearly distinguished.

As a result of extensive research, Strategic Momentum views vision as an over-arching concept under which a variety of other concepts are subsumed. Vision consists of two major components -- a **Guiding Philosophy** and a **Tangible Image**. The Guiding Philosophy, within the context of expected future environments, leads to a **Tangible Image**.²

Guiding Philosophy

Purpose

Core Beliefs and Values

Tangible Image

Mission

Vivid Description

The **Guiding Philosophy** consists of **Core Values and Beliefs** and **Purpose**, and is where Vision begins. The Guiding Philosophy permeates the organization, impacting the organization's decisions, policies, and actions, throughout all phases of an organization's evolution.

The core values and beliefs are the organization's basic precepts about what is important in business and life, how business should be conducted, its view of humanity, its role in society, the way the world works, and what is to be held inviolate. The purpose statement should quickly and clearly convey how the organization meets basic human concerns. A good purpose statement is broad, fundamental, inspirational, and enduring. The purpose statement must also be able to grab the "soul" of each organizational member.

The **Tangible Image** consists of a **Mission** that clearly focuses the efforts of the organization and a **Vivid Description** through which the mission is made more alive and engaging. The phrase "tangible image" is used to convey both a sense of solidity -- something vivid and real -- and a picture of the future -- dreams, hopes, and aspirations. The first part of the Tangible Image is the Mission. **Mission is a clear and compelling goal** that serves to unify an organization's efforts. The second part, a Vivid Description, represents a vibrant, engaging, and specific description of what it will be like when the mission is achieved.

A Vision without a powerful Strategy and Structure of Fulfillment is a pipedream.

The Vision needs a sound Strategy with strategic objectives to bring the vision forth. The Vision, together with the Strategy and Strategic Objectives constitute the Context for Action for the organization. It is this Context for Action that gives life and direction to the organization and is fundamental to building a high-performance company and obtaining accelerated business growth. It is this Context for Action that will call forth the best from the team to bring the Vision into reality.

Putting the Fundamentals in Place

² Adapted from Collins & Porras' paper on Visionary Leadership

Building Relationship and Trust through Authentic Conversations

Relationship and Trust are the foundation of any high performance organization or team. It lives within the background of each conversation between each individual within the organization, and every member on the team. A leader cannot produce anything larger than the foundation of Relationship and Trust within his/her organization.

Relationship and Trust produces the environment necessary for employees to declare and commit to breakthroughs. It is the very underpinning, the prerequisite for any breakthrough leading to extraordinary results. When you have a really deep level of Relationship and Trust between the people within the organization, they'll begin to see possibilities that are way outside of what they would see normally. This dramatically increases the ability of leaders to successfully mine the individual intellectual property (I²P™) of the organization and in turn help produce unprecedented results.

The key to building Relationship and Trust is through conversations and the Conversational Dynamics within the organization. Relationship and Trust are built around Authentic Conversations – conversations that are open, honest and transparent. Having Authentic Conversations means you are willing to disclose, your concerns and commitments, how you see the situation, how you feel about it, what you want, what you think is possible and what actions you are willing to take or want others to take.

Yet despite its critical importance, few organizations have been able to create and sustain Relationship and Trust without outside intervention. This is because people, on average, have not developed the Conversational Dynamics needed to support Relationship and Trust. By working with organizations to create powerful Conversational Dynamics, Strategic Momentum is able to help instill tools and practices to build Relationship and Trust as well as disciplines to keep Relationship and Trust in existence.

Building Alignment and Commitment

Mobilizing and enrolling the organization requires that there is strong alignment and commitment to execute the Vision and Strategy. Building alignment into the process ensures that there is strong focus and direction within the organization and, more importantly, that each member is enrolled in the strategic direction. The lack of alignment results in people pursuing activities which are incongruent with the strategic focus of the organization. This creates strategic slippage.

Alignment alone is not enough, there has to be an unqualified commitment by each person. No strategic plan can be effectively executed without the committed efforts of all members of the organization. Commitment has its own qualities. Commitment carries with it weight and substance. **People who are committed will take extraordinary actions in the face of breakdowns to create breakthroughs.** People who are committed do not blame and/or make excuses. All actions are action focused. All are focused on bringing about the committed results. Committed people live in the mood of accomplishment. Nothing will stand in their way when achieving the results they are committed to.

Managing the Mood of the Organization

Leaders recognize that the prevailing mood of the organization shapes its predisposition for action. A major challenge of any strategic renewal process is shifting the mood from resignation and despair to one of ambition and excitement. This is one of the major challenges of leadership. Since mood is swayed by the overall assessment of the future, the responsibility of leadership is to articulate a compelling future and enroll the organization to help bring that future forth.

Leaders have to not only enroll the organization in the Vision and Strategy, they have to create a mood and manage the on-going mood to ensure that people stay aligned and committed to bringing forth the future as outlined in the Vision.

Setting the Standard for Flawless Execution

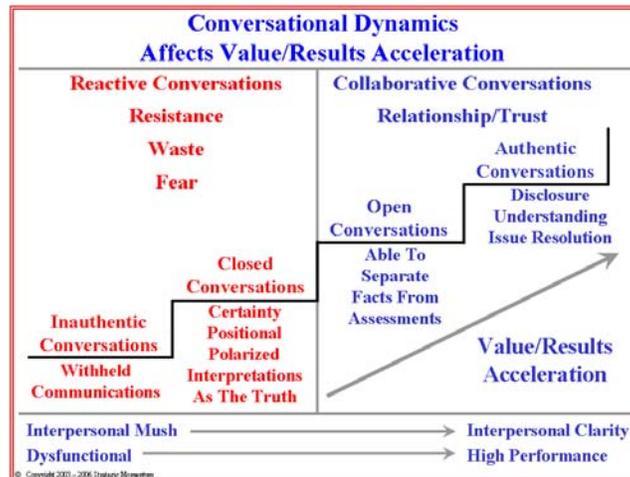
Striving for flawless execution requires installing strong, effective systems and processes. It also requires creating an action-focused, commitment-based work force. Undefined processes cannot be measured and unmeasured processes cannot be controlled. At the same time, processes do not manage themselves. People manage and execute the process. Process competencies include, but are not limited to, technical competencies. Communicative competencies are required in order to build high levels of cooperation and have effective coordination of action.

All execution occurs by applying skills and capabilities through a specific process. The process may be explicitly documented or implicitly contained within the “tribal” knowledge of the team. The typical way a company documents its processes is through an Input-Process-Output model. Unfortunately, this model goes back to the industrial revolution. It tends to distance people from the process in that the routine Input-Process-Output model bores people. The process is seen as a series of steps, not a series of commitments, and the resulting boredom can lead to a situation whereby the team simply “goes through the motions” instead of living the process.

By adopting the premise that leadership and teamwork are a linguistic reality, these same processes can be viewed as a network of conversations and commitments between team members to produce a shared outcome. Looking at mapping processes in this manner, we quickly see that promises made by one person in the process to another person in the process results in the creation of incredible trust. Remember, processes don’t produce results; people produce results by applying their commitment in a process contest.

Managing the Conversational Dynamics of the Organization

There are two types of conversations that occur in business today -- **reactive conversations** and **collaborative conversations**. Reactive conversations are driven by resistance and fear and are very wasteful in that they prevent real issues from being discussed. Collaborative conversations help build trusting relationships, and are able to effectively deal with real issues, thus accelerating results. Reactive conversations are inauthentic and closed while collaborative conversations are open and authentic.



When a team's predominant mode of conversation is inauthentic and/or closed we find there is a high degree of resistance, waste, fear and resentment. We see these types of conversations as reactive, producing interpersonal distrust and highly dysfunctional teamwork. This results in higher than average turnover and lower than average business results.

Inauthentic conversations occur when the individuals involved are unwilling to share the private and unspoken conversation hidden behind their public conversation. Inauthentic conversations may appear superficial and always result from a fear of negative consequences. They create no value in so far as it is impossible to know where people stand on the issue under discussion.

Closed conversations appear to be confrontational. People are willing to share their viewpoints but are not willing to listen openly to others' perspectives. Closed conversations have some value, but only if the participants are persistent in working through the issues. But, when they do work through the issues they pay a high price in terms of time, stress and distrust.

When a team's predominant mode of conversation is open and/or authentic, the team tends to produce a high degree relationship and trust resulting in higher levels of innovation and creativity. We see these types of conversations as collaborative, producing interpersonal clarity and a highly functional, high-performance team. This results in lower turnover and greater bottom line results.

Open conversations tend to generate much higher employee asset value. In open conversations participants are willing to share their ideas, thoughts and the basis for their

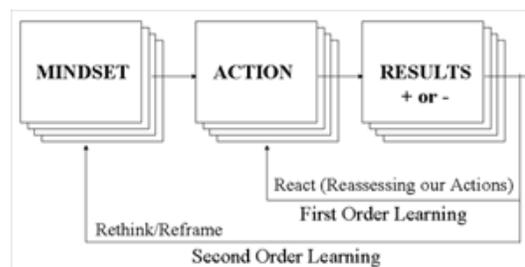
assessments with others in order to produce mutual learning. Participants work together with mutual respect with the goal of building a shared interpretation and a shared commitment to action. This results in breakaway corporate and/or financial performance.

Authentic conversations deal with interpersonal relationship and trust issues. They focus on restoring relationship and trust when breakdowns occur, to insure on-going alignment and commitment.

Managing the Source of Action

Everyone knows that results are produced by the actions we take. If you like the results, you will take more of the same actions. If you don't like the results, you will attempt to change the actions. This is called first-order learning. If the results still do not meet your objectives, what do you do? You usually try different actions. But, in some cases the change in actions still does not produce the result you want. And attempting to change the action again and again doesn't work. For example, everyone knows a person who can't say "no." People like this usually suffer from an overwhelming fear or insecurity and yet the result of not saying "no" is often the failure to keep their promises. What happens? Excuses and blame. It's simple, just say no! But, they can't. They are stuck in their fear, insecurity or blame for past failures. And the more they fail to keep their promises, the harder it is to say "no" the next time. The only way to break the cycle is to invest a culture that makes it safe for someone to change his or her life by learning to say no.

What is at play in this example is the mindset of the person and the failure to look at what is driving the action. Remember, action-drivers are normally transparent to the person taking action. What drives the action is the mindset of the person taking the action. If the actions you are taking are not producing the results you want, you have to change the mindset before you can change the results. This is called second-order learning. Many times it takes a shift in mindset to create results as simple as saying no to create breakthrough results.



A shift in mindset occurs when people are coached to examine usually unexamined judgments about actions and their potential consequences. This can be done through coaching conversations that apply key distinctions to free the individual to take more powerful actions. These actions are encouraged by the level of trust between team members. For extraordinary results, this level of trust has to be unconditional.

Summary

If you want to be an engineer, a doctor, accountant or any other profession, you would not think twice about finding a place to learn and practice the key distinctions associated with your desired profession. When you finished your education, you would not think twice about working with someone who has the experience to coach you in the practical application of your knowledge. This process of gaining mastery has been practiced through the ages.

The same is true for leadership and teambuilding. As a linguistic phenomenon, the mastery of unconditional trust requires education in the key conversational distinctions and continual practice to build competence. The powerful basic premise is that we act in language and our language creates the reality from which we act. Consequently, the key to creating high-performance teams lies in understanding and embodying the language-action relationship. Exemplary leaders lead by designing and having powerful conversations that will produce the results they want to achieve. This includes the conversations they have with themselves as well as others.

Lastly, to embody the distinctions and skills requires more than just education. It requires on the job practice with coaching, execution and review. You cannot intervene in a world you cannot see and it is difficult to see yourself in action. Why do the greatest athletes and CEOs want a coach? A coach can see what you doing (or not doing), what you are missing and what you have to develop. Leadership mastery can be learned by developing the skills to master specific conversations. Some of these conversations include:

- Leading from the future
- Enrollment
- Conversation for relationship/trust
- Open and authentic conversations
- Building Cooperation/Collaboration
- Managing the mood of the team
- Ability to separate facts from interpretation
- Strategic conversations
- The conversation for possibility
- The conversation for action
- The conversation for commitment
- Creating breakthrough projects
- Turning breakdowns into breakthroughs
- Acknowledgement