

Leader's Guide: Collaborative Excellence

CONTENTS

INTRODUCTION

A. Why Read this book?

- Widespread Failure of Leadership
 - Ramifications are massive. How Poor Leadership affects your life and future
- Breakthrough Systems Design Architectures
 - Simplicity on the Far Side of Complexity*
 - Collaborative Excellence Architecture – supported by ISO Standard
 - Leader as Master Architect
 - Human Behavior Architecture -- Four Drives
 - Trust & Culture Architecture – Neuro-Chemistry & Four Cultures
 - Leadership Architecture -- Four Alignments
 - Innovation Architecture – Synergy of Differentials
 - Collaborative Economics Architecture – Economics of Expandables-
- First Fully Integrated System of Organizational Excellence
 - The Plague of Fragmented Frameworks
 - The Opportunity: ISO 44001 Collaborative Relationship Standard
 - First time in history of commerce to have a collaboration standard
- Best Practices Essential to Support the Architectures
 - Woven into this Leader's Guide – Communicating via Mind "MAAPSS"
 - Detailed in the Practitioner's Workbook

B. Why Leadership is So Important

- The Decline of Character
- Plummeting Distrust in Institutions
- Technology's Double Edge Sword
- Leadership is the Lever of All Change
- Trust-based Leadership is Essential to the Future

C. Your Author and this Book

- The Quest, the Journey, and the Timeless Frame of Reference, What I wished for.
- Thirty Five Years of Development, Testing, & Refinement
- Tribute to Paul Lawrence (use of "we")

D. What this book isn't

- Not a book on details of management, tactics, techniques, or analytics
 - It's about What & Why; the "How to" is in the Practitioner's Guide
- Not about "soft" leadership – it's been used successfully in business, battle & sports

Chapter 1 -- UNDERSTANDING GREAT LEADERSHIP

A. **The Plague of Too Much** -- Every Author Presents a Different Perspective

- Traits, Habits, Stories (anecdotes, movies, biographies)
 - No Rhyme nor Connection – Closest probably was Plutarch
 - Leaves the reader to do the integration of thinking and make the connections
- It's not Psychology – vastly different people have performed superbly
- Trust is a critical element in nearly every story
 - But no one has a good framework for trust, Piles of Aphorisms, Few Principles
 - No Architecture that provides a systems framework starting at neuro-chemistry
- This Breakthrough Architecture is a fully integrated system
 - From the Neuro-Chemistry of the Mind
 - to Interpersonal Trust, to Human Dynamics & Culture, to Collaborative Innovation, to Teams & Alliances, to Organizational Transformation

B. **Great Leaders Do Four Things Well**

- The Four Alignments – the common denominator
 - Strategic Alignment
 - Cultural (chemistry) Alignment
 - Operational Alignment
 - Dynamic ReAlignment
- What makes Four Dimensional Alignment so Powerful
 - All leadership perceptions, thinking, actions or speeches fit into 4 dimensions
 - Not primarily based traits, characteristics, personality, or habits, but these factors are embraced in the architecture
 - Great Presidents Analysis Key Leaders exemplify the Four Dimensional Alignment (who have had rather boring personalities, i.e. Belichick of New England Patriots)
 - Can be taught -- at any time -- to any person who has vision, character, and determination, starting at a relatively early age (assess personal profile for development).

C. **Distinguishing the Difference between Leadership & Management**

- Key Differentiators
 - Future versus Present, Principles versus Process, Transform versus Improve
 - Systems versus Tactical Thinking, Dangers of Casting Managers into Leaders Roles, Necessity of Careful Selection & Training,
- Human Resources Essential Role -- Avoiding Managerial Mediocrity in Leaders
- Balancing, Aligning, & Integrating Leadership & Management
- Why we must not Denigrate the Management Function

A. Four Basic Leadership Styles

- Adversarial
 - Many Forms/Models of Adversarial Leadership
 - What they all have in common: Win at all Costs, Ethics be Damned
- Transactional
 - Many Forms/Models of Transactional Leadership
 - What they all have in common: The Deal, Always Gain Advantage
- Collaborative
 - Many Forms/Models of Collaborative Leadership
 - What they all have in common: People & Trust, In Unity is Strength
- Muddled
 - Many Forms/Models of Muddled Leadership
 - What they all have in common: Emotional, Lack understanding of Trust

B. Leadership Under Stress & Pressure

- What War, Sports, & Emergencies Tell Us
 - The Chaos of Ambiguity & Uncertainty
 - Power of Character
 - Double Edge of Fear

C. What the Evidence Shows About Collaborative Leadership

- Managing Complexity
- Human Engagement
- Performance
- Productivity
- Profitability

D. What we learned from Leadership in Alliances

- Building Champions
- Leadership in situations without Authority
- Leading Across Boundaries
- Evolution of Collaborative Business Standards

E. Leadership Assessment

- Are you a Collaborative Leader?
- Key Factors for Success

A. What hasn't worked and Why

- Why Leadership has hit an all-time low
- Why just Character is not enough
- Why "Strategy, Process, People" is insufficient
- Why Habits, Traits, Stories, & Techniques fail
- What the Military Academies and a few others have Learned
- The other Voices

Einstein's Admonition about Simplicity

Sun Tzu & Lao Tzu's Observations about Integrity

Von Clausewitz's view of Mind, Morality, Temperament & Inquiry

B. Lessons from the Worst-to-First Turnarounds

- The Nightmare 2004 Olympics
- from the Great Sports Coaches
Wooden, Riley, Belichick, Krzyzewski
- from the Great Comebacks
Super Bowl LI, Flu Game, 2004 Red Sox. The power of trust & teamwork.
- from the Great Turnarounds
NYPD, Continental, IBM
- from the Employee-Engaged Companies
Springfield, Southwest, NuCor Steel, Toyota
- from the Impossible Mission
Endurance, SEALs, Vimy Ridge, 1980 Olympic Hockey Team

C. Leadership's Invisible Factors

- What Collaborative Behavior is really about
Trust (Compassion, Fairness, etc), Teamwork
What the detractors cannot see (Milton Friedman, Icahn, Ellison, etc)
Creating Value, Productivity, Focus, & Innovation
- Massive Impact of Culture on Behavior
Why Culture determines 70% of behavior, not personality. Key Examples: IBM, Dark Ages, Patriot Way, Impact of Capitalism's Three Forces on Expectations
- Trust's Impact on Wellbeing
Surrogate Family, Impact on Turnover
- Need to provide Meaning & Purpose in Life

A. Aim of Strategy

- Transform Vision and Strategic Assets into Value that Creates Competitive Advantage Quickly and Efficiently
 - Force-field Analysis of Strategic Drivers
 - Implications on present/future based on shifting/interacting drivers
- Strategic Systems Thinking -- Seeing the world as a “chess board”
 - Distinction between systems thinking & analytical thinking -- outcomes
- Competitive/Strategic Advantage-- Ever-evolving quest to generate value
 - Impact of Three “pillars of capitalism
 - Stratagems of Competitive Advantage
 - Value Chain Advantage, Cost Advantage, Collaborative Excellence Advantage, Customer Advantage, Innovation Advantage

B. Value Evolution:

- Changing Value Factors – past-present-future
 - Speed of Value Shifts (example of cell phones, etc).
 - Forces causing value shifts. How IBM created the wave it rode in Value Shifts.

C. Building Shared Vision:

- Multi-Dimensional picture of desired future state
 - Why Shared Vision is important. P&G’s shared vision & value.
 - Dangers of default where there is no Shared Vision.
 - Net gain from shared vision (foresight, driving forces, force-fields, trends, etc.)
 - Why people need Mission & Purpose in their lives.

D. Value Proposition:

- A Vision made Measurable
 - Difference between a Vision & Mission Statement, Noble Cause, and a Value Proposition. Creating breakthrough Value Proposition that unites and excites your organization and its key stakeholders

E. Value Maximization:

- The Missing Strategic System of Creating & Optimizing Value
 - The missing dimension business schools forgot.
 - Impact of collaboration on value addition & value creation.
 - How value is typically framed in *transactional* or *adversarial* environments.

F. Strategic Asset Assessment:

- Determining your most valuable assets
 - Distinguishing between different types of assets: hard, vital, virtual, intangible
 - Leveraging/sharing strategic assets quickly & efficiently

G. Risk Evaluation:

- The Impact of Uncertainty on Expected Outcomes

A. Enabling a Powerful Culture that Drives Performance

- High Performance, High Attitude, High Trust/Team” Culture

B. Four Drives of Human Behavior:

- Why People Behave as they do – Nature or Nurture?

Drives to Acquire, Bond, Create, Defend. How Drives Interact. How Drives Create Culture. Why engineers hate culture (invisible, no formula or math)

C. Role of Trust in Organizations:

- The most important and least understood factor in leadership
Foundational element of Culture & Structure

Fearful Distrust, Fuzzy Trust, Neuro-chemistry of Trust, Ladder of Trust
Actions to Build & Bust Trust – Leader’s actions when trust is broken
Missing Link: Operating Principles combined with Values

D. Creating High Performance Teams:

- Fundamental building block of organizational structure

Key Factors for Success & Failure for High Performance Teams.
6 Key Performance Indicators of linking performance to culture
Role of trust in teamwork? Role of strategic alignment play in teamwork?
Role of metrics?

E. Communications & Attitude:

- Critical Intersection between Thoughts, Words & Actions

Communications in *adversarial*, *transactional*, *collaborative*, and *muddled* cultures. Collaborative Feedback loops. How to ensure honest dialogue?
Analysis of great speech using the 4-Drives of Human Behavior.
Using Mind “MAAPSS:” Metrics, Actions & Attitudes, Architectures, Pictures, Stories & Language, Symbols

F. Connecting with & Energizing People:

- Increasing attitude by energizing the 4-Drives

Methods to Optimize, Balance, Align, Integrate 4 Drives in the culture,
Counter-balancing misaligned culture. Assessing Emotions .

G. Culture of Continuous Learning:

- From fear of failure to masterful co-creation using the 4 drives & 4 alignments

H. Values as a Foundation of Culture:

- Uniting, Aligning, Elevating, & Inspiring when joined with other factors

I. Dangers of Muddled Leadership:

- Sending confusing & contradictory signals

A. Purpose of Operational Alignment

- Manifest RESULTS

Transform *Strategic Alignment* (Vision, Value Promises, Goals) and *Cultural Alignment* (High Performance Teamwork & Trust) into *Operational Excellence* in Service Delivery. Provide frameworks, disciplines, and best practices for outcomes-driven efficiency, manifesting change, improving productivity, and creation of competitive advantage.

B. The Ultimate Collaborative Connections:

- Your Team, Your Customers, Your Stakeholders

How well do you know your people? Do they know the strategic vision? Desired culture? Did they participate in developing the operations plan? Do they have the competencies and resources to win? Are expectations clear? Are you committed to *their* collaborative excellence? How well do you & your team know your customers? How well do you anticipate their needs in advance? Do we have a plan/program to be “best in class?” What do you do to minimize customer crises/stresses? What’s your response speed? What are their expectations? How well do you know your stakeholders? What “signals” do stakeholders send that indicate a *value shift*?

- Producing Results via teams: Project Delivery -- On Time, On Budget, On Target

What happens when mediocre teamwork prevails? Qualities of a High Performance Team. What must you do when the team is not performing. What’s needed to selecting & training High Performance Teams. What must you do to execute with precision? Operational Execution in not just “tactics.” Impact of three styles of leadership on results. Relentless follow-through, feedback, learning, and experimentation.

C. Breakdowns & Interface Management:

- Paying Attention to Systems & Cross Functionality

Where do most breakdowns occur? Why? What % of breakdowns can be predicted? What Early Warning Systems should be put in place? What protocols must be required? What can we learn from Emergency Response Teams? (Prevention or Responsiveness?) What happens in a breakdown in adversarial & transactional cultures?

D. Power of Metrics & Balanced Score Card:

- Triumph (or Tyranny) of “small numbers”

Why are metrics essential? What did we learn from Value Propositions about metrics that motivates the mind to action? What metrics should you use to reinforce success? Why is it essential to use a balanced scorecard? Are too many metrics counter-productive? What happens when metrics are not aligned with rewards? How metrics are used to set the continuous improvement bar.

E. Burden of Non-Value-Added Work

- The Curse of Transactional & Adversarial Leadership
How to analyze the percentage of non-value added work. Becoming excellent at every step in the value chain. Why trust/collaborative culture is essential to lean management. Why many non-profits have 70-90% non-value added work.
- Why 90% of Lean Management efforts Fail
Lack of Collaborative Culture & Collaborative Leadership, Lack of Alignment

F. Tear Down the Walls

- Why Walls Exist – the plague of distrust and specialization
How to turn teamwork into internal & external alliances. Creating collaborations with suppliers, customers, and stakeholders. Removing fiefdoms, silos & castle walls to integrate service delivery (what is the cost of “silos?”).
- Partnering Across Boundaries All for one; one for all.
Using cross-boundary collaboration to increase value creation and speed. Using “natural integrators” to manage interfaces. Using integration & alliances to bring customers full, end to end (E2E) solutions. Creating the “synergy of compatible differences” to increase performance and competitive advantage.

G. Organizing & Structuring for Complexity:

- Using Collaboration to Manage Ambiguity
How leadership changes depending on ambiguity-certainty continuum. How to anticipate compounding risks. Harnessing the power of synchronicity, simplicity, & synergy to manage complexity. Ensuring leaders committed to trust & teamwork. Operational Precision – Checklist Management. Focusing on no more than 3-4 priorities Fasttime Processes. Contingency Planning to handle Uncertainty, Distrust, Weaknesses (pay attention to the helpful skeptic). Mastering Collaborative Problem Solving. Avoid using legal solutions to operational problems. From big picture to details -- from insight to foresight: seeing the future in detail, especially where the breakdown risks will occur – knowing what can go wrong if people don’t pay attention. Small number of focused priorities with clear value propositions. Strategic feedback Loops – essential for modifying direction/speed.

H. Managing Contracts & Lawyers:

- Containing Transactional & Adversarial Behavior in a Collaborative World
Ensuring contracts, legal agreements, and lawyers work harmoniously with collaborative principles and guidelines. Writing collaborative contracts. Staying out of court. Embracing four-dimensional alignments in risk management and protection against adversity.

A. Agility & Flexibility:

- Changing dynamics and disruption of creative destruction

B. Collaborative Innovation Architecture:

- Two Ways to Create – Individually or Collaboratively
 - Von Clausewitz on creative leaders & inquiry, Edison’s greatest discovery, Power of co-creation and creative inquiry – Need for 4 Drive Integration, Dynamic Differential Energy – Rediscovering the Greek Innovation Secret Optimizing Multi-Generational Diversity
- Key Factors for Success – the system of innovation
 1. Culture of Innovation – 8 key factors the Greeks Learned
 2. Imagineering the Future -- Value Evolution & Designing Breakthroughs
 3. Innovation Commitment – Role of Leadership & Removal of Fear
 4. Idea Generation—Free Fuel of the Innovation Engine
 5. Finding Sources for Ideas – Innovation Triggers, If it ain’t broke, break it
 6. Empowering Results – Cumulative Magnitude of Multiplying small ideas
 7. Rewarding Results – Myths and Realities from the 4 Drives
 8. Creative Inquiry – Power of Questions to Motivate the Mind to Action
 9. By the Numbers – Using Metrics to Create Breakthroughs

C. Overcoming Resistance to Change:

- Where Leadership Excels or Fails – Through the lenses of 4 Drives & Alignments
- Insufficient Value Proposition -- Needs Measurable Impact above Hurdle Rate
- Too Much Uncertainty & Fear -- Uncertainty & Fear too High, Distrust the Messenger /Leader, Too Little Safety, Security, Recognition or Compassion
- Too much Ambiguity & Complexity -- Pattern Recognition/Prediction Confounded, Insufficient Training/Knowledge/Education/Understanding, Too little Structure.
- Too Little Engagement -- Those who must Support Change feel Left out, Isolated, Castigated, Remember: “People Support What They Help Create.” Too little inquiry.
- Too Little Leadership -- Neither Senior Leaders nor Peers are Strong Advocates, No Personal Relationship with those who are affected, Remember: Innovation Needs Champions, Too little Communications & Mind MAAPSS
- Too Little Evidence -- Need Pilot Program to demonstrate value & concrete evidence
- Rewards & Measures Reinforce Old Behavior --Realign to new desired behavior

D. Diagnostics & Health Checks & Corrective Actions

- Keeping the System Aligned and Driven, Monitoring the Stakeholders
- Eliminating Muddled Leadership:
- Enabling Continual Renewal, Leaders of Future & High Performance Teams:

A. Fallacies of Perpetual Reorganization

- Why 70%-80% of Reorganizations Fail

B. Organization TRANSFORMATION (AKA Change Management)

- **Compelling Rationale**

Clear Value Proposition or Danger, Sense of Urgency or Need. Gap between Today's Reality and Tomorrow's Requirement with some measure of the Magnitude of the Gap, Clear Value Proposition or Danger or Challenge

- **Leadership United**

Strong Voices aligned in their call to action. Use of the Influence of Authority & Peer Groups. Willingness to change voiced by those "in the know"
Leaders Fully & Passionately Engaged in as living symbols of the new vision

- **Powerful Strategic Alignment**

Clear Vision & Strategic Path. Strategy to Win vs Competition, Specific Targets

- **Inspiring Cultural Alignment**

Team focused Can-Do Attitude, Integrity of Actions & Words. Constant communications. Build trust foundation, Ensure change is Safe, Fair, Honorable.

- **High Performing Operational Alignment**

Engage those who are part of the new strategy in developing implementation. Clear Roles, Responsibilities, Results & Relationships. Create Evidence & Belief with Pilot Projects. Gain Traction with Quick Wins, Give the Skeptics something to deny the Cynics

- **Create Evidence & Belief**

Training Programs, Lower the Threshold of Risk & Fear. Define New Standards of Behavior, Simplify the Transition.

- **Dynamic ReAlignment**

Encourage Collaborative Innovation, & Experimentation. Ensure required results are multi-dimensional (financial, attitudinal, behavioral, creative, etc.). Structuring the Networks & Governance. Reward & Recognize individuals & teams that produce right results the right way

- **Strategic Role of Human Resources**

Developing New Leaders -- Creating the Pipeline, Building the New Culture
Align Measures & Rewards to match new vision & behavior (change old measures)

A. Leadership Under Stress: The Ultimate Test of Great Leadership

- Why it's more important to be trusted than to be loved or feared.
What we learn from the Grieving Cycle. Why "fearless" is "reckless."
Neuro-chemistry of fear on creative solutions. Differentiate between "crisis" and "challenge."
- Critical need for positive attitude, teamwork & trust in challenging times.
Ultimate test of character & courage & complexity. Power of 4-Drive communications & 4 Alignments. Examples from SEAL training; West Point's leadership framework. How collaborative leadership provides more options for others to lead when needed.
- Need for compelling rationale and quick wins.
Dysfunctional responses. How crisis is the #1 rationale for change. Need for protocols and best "alternative leaders."
Examples of stress: Emergency response, wartime, sports comebacks.

B. Certainty -- Ambiguity Continuum – Structure in Multi-Reality

- How you structure depends on how much Certainty & Stability is in the system
Cannot manage/govern agile systems with excessive structure. Need principles & Protocols. Level of ambiguity & uncertainty drives management structure. Need for multiple structures in complex organizations. Fear of losing control.
- Governance of the Dynamo
Cross-Functional governance. Moving fast and maintaining control. Fasttime processes & protocols.

C. Networks, Eco-Systems & Complex Project Management

- The Shift from stand-alone to inter-connected organizations
Driven at the edges of value chains. Innovation opportunities.
- Alliances & Partnerships
Greatest test of Collaborative Leadership. Leadership development on the edges of eco-spheres. Best Practices increases chances of winning to 80%. Difficulties for Adversarial & Transactional Leaders. Complex projects need collaboration.
- Future of Supply Chains in Value Networks
Massive opportunities limited by poor strategic thinking, adversarial & transactional cultures, and mechanical thinking. Toyota & Alberta examples.

D. Impact of ISO Standards for Collaborative Business Relationship – Journey to Excellence

- Attaining ISO 44001 CERTIFICATION in Collaborative Business Relationship Management. Value for small, medium, & multi-national companies & governments

Is the Collaborative Journey worth the effort? Are the Rewards worth the Risks?

How do we attain the 25% Competitive Advantage?

A. Value Maximization in a Collaborative World

- Revealing the Discipline of Value Maximization
Strategic Value Metrics. Cost to Value Shift. Value Drivers. Value Creation & Flow Analysis. Value Stratagems. P&G Example
- Engaging the Value Chain in Value Maximization & Competitive Advantage
Lean Supply Chains. Strategic Value Analysis. Strategic Customer Engagement

B. Economic Power of Trust

- Trust's Impact on Performance & Financial Outcomes
Analysis of 17 factors. 65% trust boost, 55% distrust drag: Impact of *adversarial*, *transactional*, & *collaborative* cultures.
- Trust's Impact on Profits (TIP) – Triumph of Small Numbers
Breaking down the P&L into increments, then analyzing trust in each category. Tallying the total and discovering the real advantage – it may surprise you. The billion dollar example at AT&T.
- Economics of Expandables – Seeing the Half of Competitive Advantage that's Invisible
Examples of Expandables: Software, Smart Phones. Aberration in Supply-Demand-Price Curves & Impact. Trust, Attitude & Teamwork are Expandables.
- Building a “Trusted Brand”
Why it's important to connect Performance, Attitude, Trust & Teamwork into a “brand” that will have people (internally & externally) trust your organization.

C. Reframing Risk Management – Using the Four Drives, Cultures, & Alignments

- Gaping Holes in Risk Management Modeling
Myopia due to the predominance of legal, insurance, & finance.
- Using the Four Drives, Four Cultures, & Four Alignments to measure risk & investment
Holistic Four Dimensional Risk Model to prevent unseen catastrophes
Impact of the 4 Risks Model to assess investment potential: Venture & Portfolio
- Mergers & Acquisitions Horrific Failure Rates
Why M&A Fails – it's the culture issue. Using 4 Drives/Cultures/Alignments to assess M&A targets and turn integration into a value added function.

D. Secrets of Synergy Revealed and Leveraged

- Quest for the Holy Grail in Business has been synergy.
Most leaders gave up. Using differential energy alignment to create synergy.

A. The Real Truth About Collaborative Leadership

- Realities of Success & Failure
 - Failure is an Illusion. Power of Courage (from the heart). The Heroic Journey – Teddy Roosevelt. Essence of success is in value created, not material wealth.
- Nature of Work & Money
 - Passion, belief, Henry Ford on Wealth

B. Destiny at the Cross-Roads

- Your Personal Destiny & People’s Destiny at stake(family, community, organization)
 - Leader’s Journey into Collaborative Excellence should not be taken superficially, for it will change your life, and those around you. Holmes: “Once the mind is expanded, it never returns to it’s original configuration.”
- Starting Early
 - With the simplicity of the 4 Drives, 4 Cultures, 4 Alignments, there is no reason why a 12 year old cannot grasp the nature of Collaborative Leadership and start the journey. Leadership is the pinnacle of all the arts – Art of multiplying and mobilizing talent. Especially important for adolescent development and emerging leaders. Obstacles in high school curriculum and business schools. Collaborative Excellence is a life-long journey to find real wisdom.

C. Collaborative Capitalism – the Next Generation of Capitalism

- How the three forces of capitalism (competitive advantage, creative destruction, and democracy’s social contract) require new thinking.
 - Why Collaborative Leadership will create the next evolution in capitalism. Role of Collaborative Excellence in the value maximization & competitive advantage.

D. Defeating the Dark Triad

- The Plague of Psychopaths, Machiavellians, and Narcissists in ranks of leadership.
 - Magnitude: Snakes in Suits data indicates 10% of senior leaders may be “dark.”
 - Implications on capitalism, investment, productivity, profitability, job retention.
- Collaborative Leadership is the Antidote.
 - Collaboration (teamwork, trust, alliances) is the only way to defeat Dark Triad (which does not have the capacity to build collaborative relationships). How capitalism will clean up its act, retain the Millennial generation, and be trusted.

E. Will the Centre Hold?

- The Question Raised at in the Introduction (repeated)
 - Yes, *IF* we engage in Enlightened Realism. “Centre” is not a political position between right and left – it is a higher position above the two poles – what the Greeks called “Metanoia” – a higher, transcendent order that uplifts possibility.