

# Performance: The Holy Grail of Leadership





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*This short paper explores useful concepts about performance in relation to leadership of individuals and teams. It is written to describe the nature of internal and external changes that need to occur for breakthrough performance to be achieved: i.e. the shape and nature of the "grail", so that the reader can determine for themselves the fundamental priorities to which they need to pay attention; so they can approach the holy grail with more confidence of a result.*

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## What is meant by performance?

In the 1980s when McKinsey's popularized the term high performance organization, they were using language that tapped a universal desire among executives and, ultimately, shareholders. Improving performance, (individual, team, organizational and business) is the core challenge for leaders; it is their "holy grail". Almost every leadership and management text refers in some way to individual and organizational performance, how to manage and improve it. It is something eagerly sought after, but is rarely, if ever achieved.

Definitions of performance proliferate, as does the terminology related to and associated with it. In a generic sense ....

### Performance -

*Accomplish: a deed, feat*

*The fulfillment of a claim, promise*

*The ability to perform (at work)  
efficiently and well*

As with most English language nouns connotations associated with the word performance are many and deep, often beyond the more restricted and technical definition in a dictionary. For many people performance is usually thought of as implying that something or someone can either be better than they are, or that a "best practice standard" can indeed be achieved or, at the very least, striven for.

In relation to individuals there is a whole industry in performance management for organizations: we can coach for performance, manage for performance, and incentivize for performance. We talk of corporate performance management, employee performance management, performance management systems: processes, tools and plans pepper the business and management literature and discourse in relation to individuals, teams, organizations and businesses.

For example, multiple definitions can be found for Performance Management, and one used by an Australian state government is similar to





most, in that it "...describes a set of activities that assess whether goals or objective are being met. These activities include defining work, setting goals, providing feedback and encouraging development. Performance management is about shared responsibility and understanding of roles, expectations and standards"<sup>1</sup>

High performing teams have been very much part of the language since Katzenbach and Smith popularized the term in 1992 with their now famous work. But their work was building

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<sup>1</sup> From *Managing People, Managing Performance – Good Practice Guide* [www.saes.sa.gov.au/.../022\\_Managing\\_people\\_Managing\\_Performance\\_...](http://www.saes.sa.gov.au/.../022_Managing_people_Managing_Performance_...)

on the work McKinsey's had initiated over the previous decade around high performing organizations.

And today, CEO's of publicly listed companies live or die by the way analysts and the markets judge the performance of the businesses they lead. They are commonly rewarded personally (or not) by such judgments as, ultimately, are their shareholders.

## **Leadership approaches to performance**

Steve Zaffron and Dave Logan in their management classic, *The Three Laws of Performance* (2009) outline what they believe leaders need to understand if they wish to lift

performance of their organization. As you will see below their approach is clearly a practical behavioral one.

They first suggest that for most of us (as individuals and in groups or organizations) we are playing out an unconscious but somewhat pre-ordained script into the future. We are largely unaware of this, except at some sort of visceral level, and when confronted with it we will often react in defensive and hostile ways.

They demonstrate that this does not have to be so!

Breakthrough transformations in performance are possible and in surprisingly short periods of time for individuals, for teams and for entire organizations.

At the core is the requirement to *re-write the future*.

They define the *Three Laws of Performance* as follows:

**Law 1:** People perform based on how they perceive situations

**Law 2:** How situations are perceived arise in language (verbal and non-verbal)

**Law 3:** Future-based language transforms (positively) how people perceive situations

In response to these laws they outline three approaches for leaders (leadership corollaries) to adopt, which can unlock improved performance in organizations and teams.

1. To outline a vision for the future and,



through conversation, encourage others to help shape this vision

2. Encourage authentic conversation across the organization, including 'the undiscussables' and acknowledge, apologize if necessary and resolve past issues or problems
3. Initiate and engage people in meaningful conversations, valuing contributions and give them an idea of a future - which excites and motivates them.

This is a far more useful way of thinking about performance than referring to a series of 'things' (nouns such as performance management, performance plans etc) that are undefined and clearly open to all sorts of interpretation.

At the core of their work is the idea that human beings behave in a way that seeks to realize the images of the future they carry in their heads.

This notion is part of a much broader tradition that stretches back into the distant past and across a range of philosophical traditions that our mental processes (thoughts, images) have a profound effect on how we behave and the outcomes we get, i.e. the "default future" we carry in us and to which we unconsciously work.

When we engage in possibility thinking that allows us to create a different set of thoughts and images of the future, then it is possible to achieve extraordinary increases in performance, i.e. to re-write the future.

## Focus on teams

A practical way to apply Zaffron and Logan's approaches to performance is to work at the

level of teams. In an organization the top team will need to start with their own team – lead by example.

Nurturing team performance starts with regular commitment and support for reflection and improvement of team functioning – valued family cars need regular servicing and so it is with groups; they need time out on a regular basis to improve their functioning.

However, it is more than this; it is establishing habits or regular conversation among team members. Leaders need to create an environment that makes it the norm in the team to have frequent and diverse conversations concerned with,

- Organizational and team goals, and the shaping of shared targets
- Clarification of the context for the work
- Surfacing tensions and issues, encouraging non-defensiveness and ways of resolution
- Encouraging collaboration to address challenges
- Understanding barriers and blockages and seeking ways to remove them
- Clarifying expectations and encouraging the development of accountability mechanisms
- Individual's aspirations and team's hopes for the future, exploring ways to support these becoming a reality



- Fostering shared responsibility
- Recognition of leadership, initiative and performance among the team

It is when this happens consistently, trust, interdependence and self-organization flourish.

If we go to the original work on High Performance Teams (HPTs), by Jon Katzenbach and Doug Smith<sup>2</sup> they describe the spectrum of team performance levels – from a working group to high performance team.

The characteristics of the different levels are summarized in Figure 1.

#### Conversations between and among leaders

<sup>2</sup> Katzenbach, Jon R and Smith, Douglas K. (1992) The wisdom of Teams: Creating the High Performance Organization. Harvard Business Review Press

and their teams should be held in different settings and using different formats. They may be one-on-one, sub-groups and whole team conversations with objectives of the conversation clear in the mind of those involved.

These conversations will be so much more effective if supported by visuals. By that it is meant that points or key agreements are noted up on the board, screen or on paper (if one-on-one) for all to see, and that other supporting visuals (such as diagrams) are also used to help create meaning and understanding.

Level	Characteristics
Working group	No need for incremental improvement Interaction simply to share information Occasionally may help individuals to improve No authentic small group common purpose
Pseudo team	Could be a need for significant incremental improvement or opportunity Little or no focus on collective performance No interest in shaping a common goal or achieving it Group interactions detract from individual performance
Potential team	Need for significant incremental performance It does try to improve its performance by developing a common approach Not established collective accountability
Real team	Small number of members with complementary skills Equally committed to common purpose, goals and approach Hold themselves mutually accountable
High performance team	All characteristics of a real team Deeply committed to each others' personal growth and success Shared leadership

**Figure 1 - Katzenbach and Smith's team performance level characteristics**



## Capabilities required for improving performance

In 1983, Howard Gardner introduced the idea of multiple intelligences which included both interpersonal intelligence (the capacity to understand the intentions, motivations and desires of other people) and intrapersonal intelligence (the capacity to understand oneself, to appreciate one's feelings, fears and motivations). The first person to use the term "emotional intelligence" was Wayne Payne in a doctoral thesis in 1985. EQ as a term was first used by Keith Beasley in 1987 but it only became popular after Daniel Goleman started using the term in 1995. He suggested it is not only a vital complement to IQ, but an essential capability of good leaders.

It needs to be said that there is significant scholarly dispute and doubt about whether such a thing as EQ or emotional intelligence exists, yet it has spawned an industry that many seem to have "bought into".

Components of EI, which Goleman refers to as

skills, include

**Self-awareness** – knowing one's strength, weaknesses, motivations, values and the impacts of these on others

**Self-regulation** - controlling or re-directing what are unhelpful impulses or emotions

**Motivation** – being driven to achieve

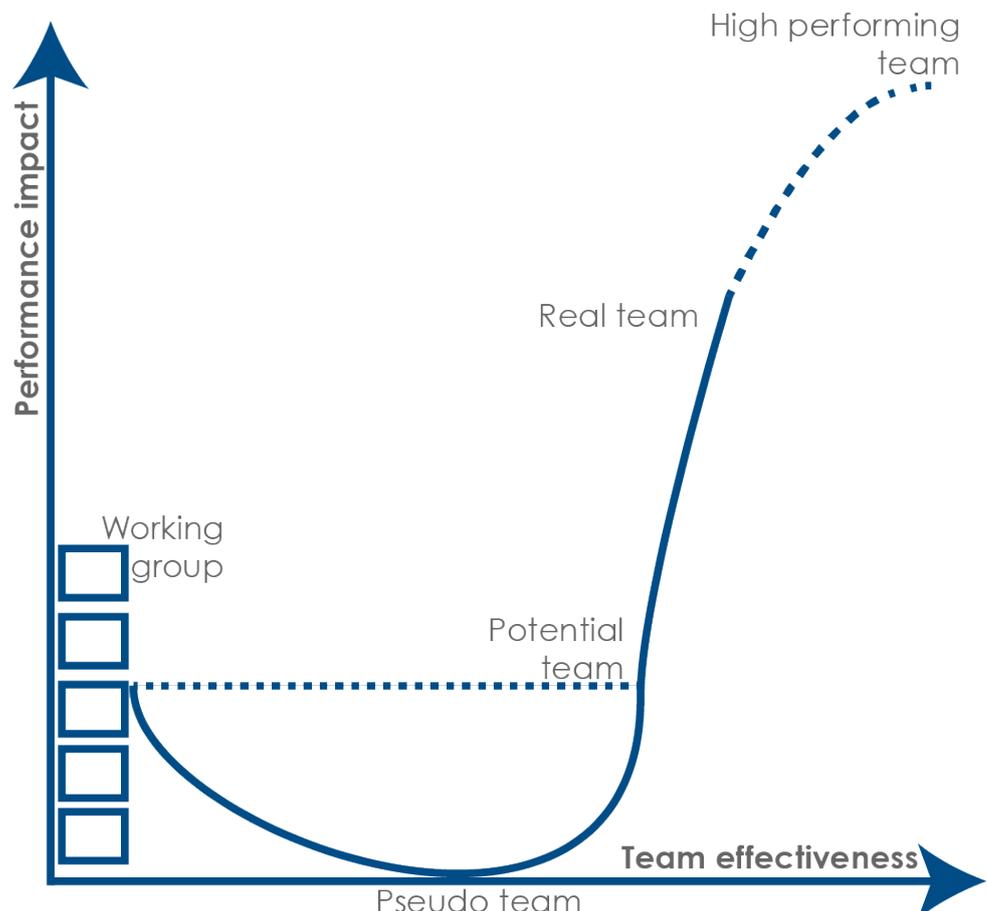
**Empathy** – understanding others feelings, especially when making decisions

**Social (inter-personal) skills** – building rapport with others so that you are in a position to influence

These can be thought of as the essential building blocks of leadership.

Goleman suggests these capabilities, when put together in different combinations can describe 6 different styles of leadership. He argues they can be chosen by a leader to best address any situation in which they find

Figure 2 - Katzenbach and Smith's team performance curve



themselves. It is not a matter of having one style but of having the flexibility to 'mix and match' the style to what is demanded by a situation at the time.

Figure 3 shows a summary of the styles, their origin, when they work best, the impact on an organization's climate and thus its performance.

## Reprise

In my experience, performance is something that is 'eagerly pursued or sought after' by leaders. However, it is how to practically and effectively foster and achieve high performance in organizations, teams and in individuals that stumps many leaders.

The wisdom and experience that informs the thinking, models and processes of the likes of Zaffron and Logan, Katzenback and Smith and Goleman outlined in this paper has a common theme. At its essence it is quite simple - it is about creating opportunities for regular and authentic conversation with your people and

amongst teams.

These conversations should be varied in their nature and form. Their effect and benefit is to help people in teams and organizations know where they are going, how they contribute, where what they and others do fits, identifies tensions or challenges and allows for processes to enable resolution to be put in place, where they feel supported to reach personal and team goals and feel valued for what they contribute. Evidence supports that if these things are present then organisation and team can accomplish a great deal and live up to and exceed expectations.

This is not 'rocket science' and if consistently and genuinely embraced will go a long way to enable leaders to grasp that Holy Grail.

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**May 2014**

**Figure 3 (opp page) – Summary of the Six Leadership Styles** from: [Leadership that Gets Results](#) - D Goleman, in the Best of HBR on Emotionally Intelligent Leadership (2000)



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	The leader's modus operandi	The style in a phrase	Underlying emotional Intelligence competencies	When the style works best	Overall impact
<b>Coercive</b>	Demands immediate compliance	"Do what I tell you."	Drive to achieve, initiative, self-control	In a crisis, to kick start a turnaround, or with problem employees	Negative
<b>Authoritative</b>	Mobilizes people toward a vision	"Come with me."	Self-confidence, empathy, change catalyst	When changes require a new vision, or when a clear direction is needed	More strongly positive
<b>Affiliative</b>	Creates harmony and builds emotional bonds	"People come first."	Empathy, building relationships, communication	To heal rifts in a team or to motivate people during stressful circumstances	Positive
<b>Democratic</b>	Forges consensus through participation	"What do you think?"	Collaboration, team leadership, communication	To build buy-in or consensus, or to get input from valuable employees	Positive
<b>Pacesetting</b>	Sets high standards for performance	"Do as I do, now."		To get quick results from a highly motivated and competent team	Negative
<b>Coaching</b>	Develops people for the future	"Try this."	Developing others, empathy, self-awareness	To help an employee improve performance or develop long-term strengths	Positive



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