

## SEATTLE CHAMBER OF COMMERCE KEYNOTE

*Take newspaper article to read.*

Epiphany/Apostrophe regarding the connection between conversations and leadership.

The word conversation comes from the Latin – *conversari* – which means to associate with, an exchange of ideas or sentiments. The word conversation begins with the letters c-o-n. In Spanish, “con” means *with*. I was talking about this with a young woman on a train in England several years ago and she said, “My father doesn’t have conversations. He has versations.

A keynote is a versation. There’s a note I want to strike for you, and I hope you’ll agree that it’s key and I’ve got 30 minutes to do it. Twenty-nine. Following this session, I hope to have a conversation with many of you.

I came across a stunning example of a failed corporate conversation while in the UK recently. I will shield the company from global humiliation by calling them ABC Company. A headline on the front page of The Daily Telegraph, Saturday, May 31<sup>st</sup> read: “Firm sacks staff by text message.” The lead paragraph reads, “Dozens of former employees looted offices of ABC Company after being told by text message that they had lost their jobs.”

The article explained, “Staff had received three text messages on mobile phones, warning them that they should not go into work, that their final salaries could not be paid and that a full explanation would be given by e-mail. At offices, an answer machine message from the administrators said: ‘All staff who are being retained will be contacted today. If you have not been spoken to you are therefore being made redundant with immediate effect. The message apologized for the nature of the call, adding I would have preferred to do this on a face-to-face basis. On the time scale available, this has not proved possible.... An employee had gone to his office in Liverpool because he assumed colleagues would gather there. He said: I could hardly believe what I saw. There were people walking out with computers. One chap quite high up in the company had loaded his car with laptops and driven off.”

Now, I know *you* would never do something this disrespectful, inappropriate, unprofessional, and COWARDLY.... so, what's this got to do with you?

Fierce Conversation's diverse and growing client list since the book's publication has underscored a basic truth. Business is fundamentally an extended conversation 𠄎 with colleagues, employees, customers, with the unknown future emerging around us. Unfortunately, many of those conversations fail.

My guess is that this organization's final, failed conversation with the dozens of employees it laid off (which of course will not be the final conversation as they now have major damage control on their hands) and the looting of their offices was predictable – for 2 reasons I'd like to share with you.

**#1 In** Hemingway's, "The Sun Also Rises," a character is asked, "How did you go bankrupt?" He answers, "***Gradually, then suddenly.***" After fourteen years running think tanks for CEOs and over ten thousand hours of one-to-one conversations with industry leaders worldwide, my epiphany was this: Our careers, our businesses, our personal relationships, and our very lives succeed or fail *gradually, then suddenly, one conversation at a time.*

It's a simple idea, really. In the last several years we've witnessed horrific bankruptcies that took down the innocent as well as the guilty. We tuned in on the suddenly part. And, of course, it happened gradually.

## NEGATIVE EXAMPLES

On the negative side...

How did you lose that customer that accounted for 25% of your net profit?

One failed conversation at a time – or one missing conversation at a time.

How did you lose that valued employee or a marriage or personal relationship that you were not prepared to lose? The same way. One failed conversation at a time – ***or for the lack*** of the conversations which needed to occur. And how is it that you find yourself energetically flat-lined, having to drag yourself out of a warm bed on a cold morning to go into a job some parts of which are not fun? How is it that you feel tired or vaguely bored much of the time? Perhaps you got here one failed conversation with yourself at a time – or for the lack of the conversations you need to have with yourself.

## POSITIVE EXAMPLES

On the flip side...

How did you gain that fabulous customer, the one your competition would kill for? One successful conversation at a time, perhaps one wonderfully fierce conversation at a time. How is it that you find yourself surrounded by employees and colleagues who are committed to you at the deepest level? One successful conversation at a time. How is it that you find yourself in a personal relationship that is extraordinarily fulfilling? IC@T. How is it that you find yourself in love with your own life, happy to be in your own skin, waking up each morning delighted to step into this thing called: your life, energized and happy? *One wonderfully fierce conversation with myself at a time.*

Imagine that you're standing on a board game called "The Game of Life." **How did you arrive on this square in YOUR LIFE?** (And this square refers to wherever you find yourself today – professionally, personally, physically, mentally, emotionally, financially, spiritually.)

It wasn't because you rolled the dice and threw a 3 or a 7. Each of us arrived *here* one conversation at a time. And how do you imagine you will get there, where **you aspire to be standing at the end of the game?**

*IC@T. One FIERCE conversation at a time.*

*Fierce.. not someone telling me what they think of me and the horse I rode in on.*

*When you think of Fierce Conversations, think of passion, authenticity, integrity, collaboration. Think leadership.*

Conversations are the work of the leader and the work horses of an organization. Leaders must move organizations from mis-guided notions of utopia to actually getting the work done – by telling the truth as much as they can and igniting intelligent, productive dialogue.

What gets talked about in a company and how it gets talked about determines what will happen. Or won't happen. Conversations provide clarity or confusion. Conversations invite cross-boundary collaboration and cooperation or add concertina wire to the walls between well-defended fiefdoms. Conversations inspire us to tackle our toughest challenges or stop us dead in our tracks wondering why we bothered to get out of bed this

morning. A conversation can be deadly boring or a profound experience of humanity, of intimacy.

In fact, a leader's job is to engineer epiphanies - one conversation at a time. Conversations that reveal we are capable of original thought. Intelligent, spirited conversations which provide clarity and impetus for change.

Yet we, the results-smitten, speak of measurable goals, key business indicators, action plans, cash-flow projections, economic indicators, process, and procedure. All are worthy come-ons, yet some conversations exert a deeper magnetism, a universal pull as powerful as the tides, casting an irresistible spell.

I've come to think of these as *fierce* conversations. Intelligent and impassioned. Personal and universal. They are conversations during which we wouldn't trade places with anyone on the planet. Conversations that feel as if they are taking place in a concert hall or a sanctuary. Conversations which build our world of meaning.

Many leaders have intelligent and universal down cold. It's the impassioned and personal part that provides your greatest opportunity. In fact, it's crucial. Perhaps Big Idea #2 will deepen your resolve.

#2. The conversation *is* the relationship.

Our most valuable currency is not money. Nor is it intelligence, attractiveness, self-sufficiency, or charisma. It is relationship. It is *emotional capital*. The 2002 Nobel prize for economics was awarded to a psychology professor at Princeton whose studies prove beyond any doubt that we behave emotionally first, rationally second. Let's translate that to you, your career, your organization.

Many businesses have a relationship with their customers that is based solely on price and a relationship with their employees that is based on exchanging talent and time for salaries. Is it any wonder, then, that companies are having a massive difficulty maintaining their margins?

The challenge today and into the future is for companies to figure out a way to extend those relationships beyond price, *beyond salary* and engage their customers and employees on an emotional level.

Each of us accumulates or loses emotional capital, building relationships we enjoy or endure with colleagues, bosses, employees, customers, prospective customers, vendors  $\neq$  one conversation at a time. In fact, each conversation leaves an emotional wake. Positive or negative.

For a leader, there is no trivial comment. Because of a comment you don't remember making 3 years ago, someone is still in therapy. Our individual wakes are larger than we know. Take responsibility for your emotional wake.

There is a huge difference between having the title – leader – and being the kind of person to whom people commit at the deepest level. To be the latter, you must steal people's hearts, as well as engage their heads. You must actively increase your organization's emotional capital, which is depleted or enriched one conversation at a time.

We have only to look at the quality of any relationship in our lives for immediate insight into the conversations that are needed. We desire conversations that bring us closer together, that connect us to one another and to something that matters.

I'm not talking about touchy-feely. There will be no incense, no drum circles and, although this may disappoint some, no chain backrubs. I'm talking about conversations that produce heat!

Meanwhile, the organization's strategy keeps stalling. Cross-boundary collaboration isn't happening. Leaders play whack-a-mole, micro-managing versus leading. There is no grass roots leadership development. Original thinking is happening elsewhere. Communication is inadequate and/or ineffective. Employees have little or no emotional connection to the organization and its customers. Relationships with employees and customers steadily disintegrate one failed or missing conversation at a time. The replacement costs are staggering. In fact, many organizations are losing so much money, intervention is essential.

At such a crossroads, most leaders review basic business processes - while employees (AND CUSTOMERS) long for one galvanizing conversation. Just one. I know. I've talked with thousands of them.

It is the unusual leader who turns his or her attention to the conversations of the company and yet, our leverage point, our fulcrum, is whatever conversation in which we are engaged right now - at any given moment in time. We do not remember days. We remember moments. We remember conversations.

## MISSION/TRANSFORMATION

The mission of my company is to help organizations achieve results by transforming the conversations central to their success.

Transformation. It's a big word.

I had a transformative experience last month. Jennifer Brewer (our Operations Manager) and I went to Dixie's BBQ for lunch. The proprietor asked, "Have you met 'The Man?'" The "Man" is the hot sauce for which Dixie's is famous.

"Lay it on us," we said. Within seconds, two businesswomen of reasonably professional demeanor were transformed into bleary-eyed, runny-nosed, red-blotched, mascara-streaked, ugly-faced, broken-down, beggin' for mercy, cryin' for Mama, fixin' to die, hiccupping lumps of humanity. Of humility. There was no way out but through. Sans dignity.

And if you've never heard your Operations Manager whisper, "Help me", it's unnerving, let me tell you.

Outside in the parking lot, still gasping, there were three things for which I had a new appreciation.

1. The line, "I once was blind, but now I see."
2. If your mouth is on fire, do not attempt to quench it with soda pop.
3. Not all transformation is pleasant.

For those who seek instant transformation, go to Dixie's. A less painful, though no less difficult, step would be to transform how we bring ourselves and others into a conversation. And out of a conversation. That's what "fierce" is about.

So who's to say you aren't fierce already? Here's a little test:

» When you speak with employees, do you challenge them to acknowledge their own ingenuity? Or do you regularly lead them into slack-jawed stupor? (Hint: A drooling employee is not a fully engaged one and indicates a lack of fierceness on your part.)

» Do employees venture out of their offices or cubicles to greet you when they see you coming? Or do they slam their doors shut and jab pins in voodoo dolls they've crafted from crumpled memos and rubber bands?

» Do people show up for meetings eager to tackle tough challenges? Or, do they smile and nod, while shrinking their sub-atomic particles in an attempt to vanish from your radar screen?

» Do your conversations provide clarity and impetus for action? Or, induce comas where, after 30 minutes of empty promises and company catch phrases, nothing short of a cattle prod could restore your colleagues' enthusiasm?

» Do you put time and energy into effective, consequential conversations? Or, spend time reacting and recuperating from poorly thought-out ones?

» Do your conversations produce break-throughs or break-downs?

If you suspect that you may not be as fierce as you'd like to be, there are 7 principles dealing with this topic in the book. I'll touch on the first 3:

1. Master the courage to interrogate reality. No plan survives its collision with reality. And reality has an irritating habit of shifting....

As a leader, you want to make the best possible decisions for your organization, so you want access to all the valid data.

Beach Ball. It's as if your company is a beach ball and stands on a different color stripe and experiences the company from that perspective. What color is your company? Blue, Red, Green, Orange.

Who owns the truth about what color your company is? Every single person in the company owns a piece of the truth and no one, not even you, owns the entire truth.

Reminds me of some dating advice I received from a friend.

5 important things.

1. It's important to find someone who has a job, for which they are paid.
2. It's important to find someone who makes you laugh.
3. It's important to find someone who's handy around the house, doesn't mind cooking or cleaning if necessary.
4. It's important to find someone who is romantic and sensual.
5. It's important that these four individuals never meet.

Unfortunately, in our companies, these four people never meet. That's too bad because no one person has all the answers.

When you have the hard decision to make, problems to solve, opportunities to evaluate, strategies to design – you need to gather everyone who has a useful perspective on the topic. Not just those with titles. Etc.

If you ask, “What do you think we should do?” and someone responds, “I don't know,” then ask... “Well, what would it be if you did know?”

Within 30 days of consistently doing this, your team will recognize that, “I don't know,” is not a career enhancing response.

Ask them to push back against your favorite ideas, strongly held opinions.

Then listen. No diversions.

2. Come out from behind yourself .... Some people are afraid of “real”, yet it's the unreal conversations that ought to scare us to death. Unreal conversations are incredibly expensive....

You can begin by recognizing that a careful conversation is a failed conversation because it merely postpones the conversation that wants and needs to take place. Don't linger on the edges. Small confusions are easy to clear up and can lull you into thinking you've addressed your subject in a comprehensive way.

Instead, ask yourself: What is the deepest issue in this confusion? Speak toward it, with firmness and concentration.

There is something deep within us that responds to those who level with us, who don't suggest our compromises for us.

And that truth will not leave you in peace. You may try to say something trivial and find that you can't do it. You must speak directly to the heart of the issue.

Pushing our own limits brings exhilaration. Our edge can be a growing edge. Or it can be an edge from which we topple off. The fall won't kill us. Avoiding the topic could.

3. Be here, prepared to be nowhere else.

**Our leverage point, our fulcrum, is whatever conversation in which we are engaged right now – at any given moment in time. Because, while no single conversation is guaranteed to change the trajectory of a career, a business, a relationship, or a life – any single conversation can.**

Apostrophes aren't granted to those who are sleepwalking through the manual, or those who want to say something wonderful or hammer home a heavy-handed theme. Instead, it seeks out those who give the purity of their attention to the next words. Let's engage ourselves there and tell the truth as much as we can.

And don't try to have important conversations via e-mail. (Picture looting in the UK). When all we have is words on a screen, we will assign a tone! The most powerful communications technology any of us will ever have is eye contact. The next is voice. Dead last is words on a page or a screen.

So, how 'bout... you look into my baby greens, I'll look into your baby blues. That way, we'll see one another a whole lot clearer.

So, to supply you and your organization with material for fierce conversations of your own, gather your team together and ask the following questions:

- What's the most important thing we should be talking about today?
- What do we believe is impossible for us to do, that if it were possible, would change everything?
- If nothing changes, what's likely to happen?

And on a personal note: What's the conversation out there with your name on it? The one you've been avoiding for days, weeks, months, years? Who is it with and what's the topic?

Fierce Conversations is a way of conducting business. An attitude. A way of life. A way of leading.

Success hinges increasingly on engaging colleagues, customers, friends and family in conversations that interrogate reality, provoke learning, tackle tough challenges and enrich relationships.

We're excited about our partnership with the UW to develop a curriculum for high school and college students in order to help shape the business leaders, parents, and world citizens of tomorrow.

Last February, we spent a day with 70 students from 50 countries. The results? They told us...

A high level of personal authenticity, ferocious integrity, emotional honesty, sheer chutzpa, and a greater capacity to hold true to their visions and enroll others in them.

Practicing and championing Fierce Conversations company-wide enhances employees' capacity to serve as effective agents for strategic success, structuring the basis for high levels of alignment, collaboration, and partnership at all levels within the organization and the healthier financial performance that goes with it.

Whether it's coming up with original thinking, transforming a company into a great place to work, improving customer renewal rates, enhancing cross-boundary collaboration, leadership development or simply creating heat, what's at the heart of Fierce Conversations was expressed by George Forrester Colony:

"If you ever listen to Sinatra sing, it sounds as if he's singing directly to you. That was Sinatra's great skill, and that's what we try to achieve in our business. We want to connect with people on a human level -- to touch them in some way."

-- George Forrester Colony, Forrester Research

Fierce Conversations is a skill which can be learned. The book is an excellent beginning. Our company collaborates with organizations worldwide to apply the tools and methodology to specific goals and initiatives, with an emphasis on leadership development.

No one has to change, and everyone has to have the conversation. When the conversation is real, the change occurs before the conversation has ended.

It is not enough to be *willing* to speak. The time has come for you to *speak*. Your time of holding back, of guarding your private thoughts is over. Your function in life is to make a declarative statement.

Sit beside someone you care for and begin.