

# EXECUTIVE LEADERSHIP

Taking your leadership skills to the next level

## Leadership Tips

**Make any decision-making group more effective by limiting membership to seven.** Once you have more than seven in the group, each additional member reduces decision effectiveness by 10%, say the authors of *Decide & Deliver: 5 Steps to Breakthrough Performance in Your Organization*.

**A leader's kickstarter.** Pose these questions: What's the next action we need to get this moving? What do you need to make that happen? What will you do next? Then what? What's the priority right now? What is the next step?

—Adapted from *Conversations for Change*, Shawn Kent Hayashi, McGraw-Hill.

**For your employees.** Three things they should never say to customers:

1. "That's our policy." The purpose of this phrase is to shut somebody down.

2. "There's nothing I can do." There's always something you can do.

3. "That's the manufacturer's responsibility." Your customer has a relationship with you, not your supplier.

—Adapted from "Three Phrases You Should Never Say to a Customer," Ron Burley, *Inc.*

**First things first.** Maggie Fox, founder and CEO of Social Media Group, jots down three goals—and only three—every morning. "If you have more than three priorities," she says, "you have no priorities."

**Facing a setback?** Keep things simple by saying, "Two steps forward, one step back."

## Personal Development

### 8 musts for effective leaders



Marshall Loeb

Legendary business journalist Marshall Loeb spent decades interviewing the greatest leaders of American business. Along the way, he defined these steps to effective leadership:

**1. Know the difference** between leading and managing. Loeb liked to quote Warren Bennis on this: "Leaders are people who do the right things; managers are people who do things right. There's a profound difference."

**2. Develop your sense of purpose.** "What employees want most from their

company leaders," Loeb wrote, "is direction and meaning, trust and hope."

**3. Show courage.** Sometimes, that means the courage to be extremely unpopular.

**4. Use candor.** When you say what you really think, you encourage the people you lead to do the same.

**5. Limit yourself** to just a few key objectives. Loeb quotes Jack Welch on this: "I have only three things to do: I have to choose the right people, allocate the right number of dollars, and transmit ideas from one division to another with the speed of light."

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## Social Media How To

### LinkedIn do's & don'ts



LinkedIn is the No. 1 social media platform for professionals, with an estimated professional participation, at 83%, according to Inc.com. Leaders should keep these guidelines in mind to make the most of LinkedIn.

#### DO

**1. Obtain a professional-looking photo** with either a work background or no background. Data from LinkedIn shows that users with photos are seven times more likely to be contacted about opportunities.

**2. Post your complete work history.** That doesn't mean every single job, but a picture of your relevant experience. And create a keyword-rich profile to help people find you and your company.

**3. Gather at least 50 connections.** That brings second- and third-degree LinkedIn

connections—those important "weak links" that studies show are most likely to pay off for jobs, referrals and new business.

**4. Simplify your URL.** Change your LinkedIn settings so that your profile's web address is simple, like LinkedIn.com/in/YourName, instead of an enormous default URL. This way, you can add it to your email signature.

**5. Lavish attention on your headline and summary.** People see these in search results, so they are your best pitch.

**Bonus tip:** Model your profile on the bios you admire. You'll find them on their organizations' websites.

#### DON'T

**1. Don't use the same boring words**

*Continued on page 2*

# Yahoo CEO's secret to banishing burnout



As one of the most well-known women in technology, Marissa Mayer turned a few heads when she announced that she doesn't believe in burnout.

How can the woman who was hired in 1999 as Google's 20th employee, who once worked 130 hours per week, and was chosen in July 2012 as Yahoo's new CEO, say she doesn't really believe in burnout?

Mayer says avoiding burnout isn't about sitting down for three meals a day, getting home at a decent hour or getting eight hours of sleep.

"I have a theory that burnout is about resentment," the tech maven says. "And you beat it by knowing what it is you're giving up that makes you resentful."

"I tell people: Find your rhythm. Your rhythm is what matters to you so much that when you miss it you're resentful of your work."

For some, the thing that's most

important to them might be a vacation. For others, it's movie night. And some people may just want a good night's sleep.

When it comes to leading, Mayer deploys her theory regularly.

After noticing signs of burnout in one recent college grad, she approached him and asked about his "rhythm."

He replied that he had a standing dinner night with friends on Tuesdays. When he missed it, he spent the rest of the week feeling resentful. So she

knew he'd be more productive for the entire week if he could make it to those Tuesday dinners. It was that simple.

Another employee, who was running Google Finance and had a team in India, seemed stretched thin. The employee, Katie, had been running conference calls at 1 a.m.

But when Mayer expressed her concern, Katie said, "Don't worry about the

1 a.m. calls to Bangalore. I love my team. It doesn't bother me a bit. What bothers me is missing soccer games or having my child see me walk in late to the recital." From then on, Mayer made sure Katie was empowered to leave for the things she loved.

What matters to Mayer? A one-week vacation that she takes every four to six months. If she has to cancel one of those trips or postpone it, she starts to feel resentful.

**Lesson:** Find your rhythm, understand what makes you resentful and protect it. Encourage managers to do the same with their employees.

— Adapted from "Marissa Mayer Offers Five Tips for Young Women Entering Tech," Matt Rosoff, *Business Insider*; "How to Avoid Burnout," Marissa Mayer, *Bloomberg BusinessWeek*.

**Online resource** To find out where you fall on the burnout scale, take a 25-question self-quiz at [www.ExecLeadership.com/burnout](http://www.ExecLeadership.com/burnout). ■

**"I have a theory that burnout is about resentment. And you beat it by knowing what it is you're giving up that makes you resentful."**

## LinkedIn

Continued from page 1

everybody uses: including *creative, effective, innovative, dynamic, motivated* and *extensive experience*.

**2. Don't be greedy.** Or, as one career coach calls it, a "gimme-gimme networker" who asks for but never gives help. Swap industry info in a status update or help with a referral.

**3. Don't assume you're famous.** Putting "Founder, Wonder Widgets" in your headline presumes that everybody knows about Wonder Widgets. And cares.

Source: Investor's Business Daily.

**Online resource** Learn how to create a simple but profitable profile on LinkedIn, six strategies for networking on LinkedIn, plus links to other good LinkedIn advice at [www.ExecLeadership.com/LinkedIn](http://www.ExecLeadership.com/LinkedIn). ■

## Best Practices

# 3 good habits drive great results

Research shows that leaders who develop sound behaviors—and turn them into daily habits—make smart decisions more quickly. Their habits help them follow a disciplined process for analyzing situations and producing successful outcomes.

Here are three habits that successful leaders often exhibit:

**1. Knowing when to turn away opportunities.** Saying no is a useful habit for executives who believe in a clear vision. It allows them to adhere to an organization's stated principles despite temptations that might lead them astray.

Some leaders go out of their way to list what their organization will not do. The family that founded In-N-Out Burger, a fast-food chain, maintained

limited menu offerings for 60 years.

Even though competitors kept expanding their menus, In-N-Out concluded that to ensure quality, it had to stick with a few items.

**2. Balancing short- and long-term.** If you chase short-term goals at the expense of the long term, you can lose sight of the big picture.

That's why racing to attain monthly or quarterly numbers without pursuing longer-range objectives can destabilize a company.

**3. Controlling what you can control.** Leaders aren't micromanagers; they set a clear direction and communicate why that direction makes sense.

— Adapted from *Get Lucky*, Thor Muller and Lane Becker, Jossey-Bass. ■

# The power of shared values



**EL: What's the most important lesson you've learned about leadership?**

**Vanourek:** Great leadership is not a solo act. It's a group performance. You need to connect through the heart to lead effectively.

**EL: But don't leaders need to act on their own to make tough decisions?**

**Vanourek:** In a crisis, you have to listen to alternatives and make a command decision. But if you operate like that all the time, people will wait to hear what you think. They won't think for themselves. Leaders at times bite their tongues even if they think they're right or they can do it better, as long as it's not a bet-the-company decision. They're able to listen and let others lead.

**EL: Does listening come naturally to you?**

**Vanourek:** No, I used to write a note to myself in meetings, "Be quiet. Listen." The problem is ego. Some CEOs think, "This place is lucky to have me."

**EL: If you listen well, you might hear what you don't want to hear. Then what?**

**Vanourek:** When I arrived at Sensor-matic as CEO, we were burning cash. It was a turnaround, and I had Saturday morning meetings with 12 managers. One of them, let's call him Phil, always had an excuse for his poor performance. At one meeting, I couldn't stand his dog-ate-my-homework act anymore. I lost it. I slammed the table and yelled at him. Later, when we left, I asked a colleague, "What did you think?" He replied, "Well, Bob, you didn't treat Phil according to our shared values." He was right. So I reconvened the meeting, apologized to Phil and asked for forgiveness.

**EL: How did he respond?**

**Vanourek:** He accepted my apology and became a dedicated team member who did extraordinary things in helping us turn around the company. That meeting was a watershed for us.

**EL: Talk more about the role of shared values.**

**Vanourek:** An organization needs a set of shared values. Yet people can interpret those values in different ways. So you have to dialogue with people and be patient. That means getting them to talk about the values and their impact. And you have

to get feedback from all stakeholders. That allows you to make the best decision in light of their feedback, anchoring your decisions in shared values.

**EL: In your book, you write that lack of commitment and other issues can cause a breakdown in aligning values. How can a leader prevent this breakdown?**

**Vanourek:** We list 10 steps to create alignment. I bet 95% of organizations do some, but not all, of our 10 steps. You have to do all of them, collaboratively, through dialogue. It's a continual process that requires patience, listening, repetition and reinforcement.

**Editor's note:** The 10 steps to the Alignment Model are: purpose, values, vision, goals, strategy, people, structure, processes, action plans and communication loops. ■

*Over a 30-year career, Robert Vanourek was chief executive of Sensormatic, a \$1 billion security firm, and group vice president at Pitney Bowes, a \$5.3 billion company. He's chairman emeritus of the Vail Leadership Institute and co-author of Triple Crown Leadership.*

**"Great leadership is not a solo act. It's a group performance. You need to connect through the heart to lead effectively."**

## 3 signs of an ethical apocalypse

Watch out for these three ways your moral judgment can be hijacked:

**1. You lie to yourself.** "I think it's OK to do this," you might say. That's because you want to see something sketchy as better than it really is.

**2. You rationalize.** "I know it's wrong," you admit, "but I have a good reason." That reason may be that you're under pressure to meet a short-term goal, which can make lousy decisions look fine. For instance, you might rationalize that your family's financial security is your top goal, and you'll do whatever it takes to keep the money coming, even if it means acting unethically.

**3. You disengage.** "It's not my problem," you say. Discouraged leaders leave critical issues unresolved because they no longer care. If success and failure feel the same, disengaged leaders check out. They can take down an organization pretty quickly.

**Bottom line:** In such a toxic environment, you have two choices: Tackle problems head-on or get out so that someone else can.

— Adapted from *The 3 Power Values*, David Gebler, Jossey-Bass. ■

## Rise above the negativity: 3 steps

New brain science shows that constant exposure to complaining will reinforce negative thinking and behavior.

It's hard to stay positive in such a toxic environment, but you know you've got to do it for your sanity and effectiveness.

Three steps will get you there:

**Step 1:** Reclaim the way you interpret and react to situations.

**Step 2:** Create insights that separate successful people from the rest. You can position yourself to recognize and respond to good ideas.

**Step 3:** Proceed in ways that will turn your ideas into actions.

— Adapted from *Three Simple Steps*, Trevor Blake, BenBella Books. ■



## Best of the Leadership Blogs

### Tony Schwartz: 90-min. workout

For nearly a decade, Schwartz has begun his workdays by focusing for 90 minutes, uninterrupted, on the task he deemed most important the night before. After 90 minutes—the optimal human limit for intense focus—he takes a break.

He starts the clock at a specific time. During that time, he shuts down email and every other window on his screen. Phone calls roll to voice mail. He gets more done in those 90 minutes than in any other comparable period of the day.

### Art Petty: It's the 'tude

You choose your attitude. Prepare yours every day with this ritual:

Before stepping out of your car to go into your office, spend a few moments thinking about how you will measure success that day. What impact do you want to have on people around you? Remind yourself that you're in a leader's role at the discretion of those you serve. The act of focusing helps push out all of the morning's stress points.

### Derek Sivers: Goal keeper

Derek Sivers makes the case that it's better to keep your goals to yourself, rather than declaring them publicly.

Why? In four separate tests, people who talked about their intentions were less likely to make them happen. Talking about it gives people a "premature sense of completeness."

### Bob Sutton: Tap a fresh mind

Radical innovations often come from people who don't know what has been or can't be done. Ask new hires—especially those fresh out of school—to solve problems. Get out of the way for a while to see if they generate some good ideas.

To read these full blog postings, go to [www.ExecLeadership.com/bestblogs](http://www.ExecLeadership.com/bestblogs). ■

## Power Presentations

# You have 30 seconds to impress me

When addressing senior executives, every minute counts. Make your point succinctly—without tangents or long stories—and end decisively.

Consider these structural frameworks when organizing your material:

**1. What/why/action steps.** Summarize what you want to convey in the first 30 seconds. Pinpoint what you expect your listeners to say or do as a result of your talk—and the core message you want to plant in their heads.

Then explain why your central point matters to the audience. Emphasize why they should care, why the stakes are high and why timing is crucial.

Conclude with action steps. Seek commitment for your proposal and make it easy for others to say yes.

**2. Good/better/best.** Give listeners a three-prong choice. Start with a good option, offer a better alternative and end with what you deem the best one. Highlight the pros and cons of each choice, perhaps using bulleted lists as a visual aid.

**3. Start with the end.** State your conclusion in your first sentence. This captures an audience's attention and showcases your confidence. Then cite evidence that supports your conclusion.

Avoid the trap of opening with a history lesson (i.e., how we got here), data collection methods and analytical support. Busy executives might cut you off.

— Adapted from *Speaking Up*, Frederick Gilbert, PSI Publications. ■

## Strategic Management

# 4 questions you need to ask your team

Intelligent leaders don't know everything. But they're smart enough to ask.

Posing sharp inquiries elevates your team's thinking. A lively back-and-forth exchange of ideas turns everyone into vested participants in the organization's success.

Here are four simple questions that effective leaders ask:

**1. What's the point of this activity?** By asking, "Do we really know why we do this?" you enable employees to step back and see the larger purpose. Or not. In some cases, your question can expose time-wasting activities or exercises that your team can jettison. Just make sure to dig for specifics.

**2. What's the third way?** All too often, executives get ensnared in either-or thinking. They identify two options and pick one. But their narrow analysis prevents them from considering less obvious alternatives.

Ask about a third way—an option that widens the debate from two choices to three. Rather than weigh whether to mass-produce or customize your product, for example, explore mass customization to capture the advantages of both.

### 3. What happens if our assumptions are wrong?

Just as banks undergo "stress tests" to determine their resilience under worst-case scenarios, you can challenge your staff to examine

whether their proposals can withstand pressures or negative developments.

They may present their ideas as workable if certain conditions occur. But the real test is what unfolds under unusually adverse conditions.

**4. How much is enough?** Know when to call it quits and resolve the matter. Otherwise, you can talk an issue to death and wind up without an action plan.

— Adapted from *Rules of Thumb*, Alan M. Webber, Collins Business. ■



## 5 lessons from \$5 Footlongs

These 5 lessons on winning support from top leaders were inspired by a story in *BusinessWeek* on Miami Subway franchise owner Stuart Frankel. He was tinkering with ways to boost his sales. From that, the original \$5 Footlong was born.

Even though he was raking in the dough, Frankel had to work hard to convince the top brass at Subway that the \$5 Footlong was the way to go. Here are five lessons on how to convince senior leadership to run with good idea.

**1. Run some small experiments off the radar screen.** Remember, the \$5 Footlong idea started in two little stores as a way to boost sales.

**2. Collect compelling data.** Food costs rose, but overall volume increased and employee productivity rose because the stores were busier. He made money on every \$5 sandwich.

**3. Recruit some early champions.** Frankel brought in a development agent who oversees 225 stores in South Florida and another franchisee who owns 50 stores in the area to take a look

at what he was doing. Both of those guys ran their own small experiments. When they almost ran out of bread in their stores, they knew they were on to something.

**4. Show them, don't just tell them.** In spite of this big success, the top brass at Subway just couldn't get their minds around the \$5 Footlong idea. So Frankel and his allies kept bringing store owners and marketing officers to Florida to see the lines of customers stretching out the door. Word spread and the \$5 Footlong promotion started showing up in markets around the country.

**5. Stick(y) with it.** Four years after Frankel first ran his \$5 deal, Subway put marketing dollars into the promotion.

There are two lessons about stickiness here: (1) To get an idea across, you have to be committed to it and stick with it. (2) If you can come up with a sticky, memorable way to describe the idea, it's much more likely to go viral. ■



Scott Eblin

## Ask 6 questions to identify the problem

Begin every conversation geared toward problem-solving by identifying the problem and how it might be solved.

Six questions should guide your actions:

1. Is X important?
2. If so, how well should we be doing with X?
3. How well are we doing with it?
4. If we're not doing at least as well as we should, how can we improve?
5. What's stopping us?
6. How do we remove, blast through or tunnel under any obstacles stopping us from improving X?

— Adapted from *Cage-Busting Leadership*, Frederick M. Hess, Harvard Education Press. ■

## Crazy idea? Try it

Allison Evanow was sleeping one summer night when it hit her. She woke up next morning, turned to her husband and said, "I have this crazy idea."

Already working in the spirits industry, Evanow had noticed a "sophisticated and energized cocktail movement." Bartenders were using fresh, organic ingredients and taking a "chef-like approach" to making cocktails. All this, but they were still using "industrial-brand spirits."

Evanow drew up a business plan that fall. Now her company, Square One Organic Spirits, works with an organic farming co-op in Montana that grows rye organically. The fermenting and distilling processes have to meet organic standards.

Because the spirits industry is highly regulated, Evanow's biggest hurdle was distribution. Her best tactic was to introduce the brand in person at cocktail bars. Within six months, she had opened 100 restaurant accounts and gotten Square One named on menus, "all based on the fact that it was organic."

— Adapted from "How I built a \$1 million business," interview with Jane Bennett Clark, *Kiplinger's Personal Finance*. ■

## Leadership Mistakes

### Rid your speech of weak words

Inject power into your remarks by eliminating words or phrases that weaken your message. You already know not to apologize needlessly.

Here are some less obvious but equally important keys to communicate with clarity and force:

**1. Skip the minimizing.** Beware of beginning a conversation by saying, "I only want to talk about..." This leads listeners to think that your comments are trivial, when in fact you want to make a critical point. Instead, say, "I'd like to discuss..."

**2. Avoid the waffling "might."** When you respond to a request by saying, "I

might be able to do that," you create more problems than you solve. It's better to make a promise forthrightly.

**3. Project confidence, not doubt.** By telling an employee, "If you can get to that today, we can rest easy," you're dropping a not-so-subtle hint that you want it done. A clearer alternative: "When you complete that today, we can rest easy."

"If" introduces the possibility something may not occur. Using "when" conveys your faith that others will follow through—and signals that the task really matters to you.

— Adapted from *The Secret Language of Influence*, Dan Seidman, AMACOM. ■

# How to reverse a failure

When something fails, follow these steps:

**1. Look in the mirror.** Examine what you did. Ask trusted advisors and colleagues to evaluate you. Ask yourself what you should do differently. You may figure out how to improve your own performance, and when other teammates see you looking in the mirror, they may do the same.

**2. Go right back to work.** Jumping back in to planning and preparation creates a framework for moving forward.

**3. Communicate directly.** Ignored, problems won't go away. Consult team members to find out what's going on.

**4. Seek other leaders on the team.** Appealing to people's sense of pride and ownership is a first step in putting things right. Talk to them about how you need their help to correct course.

**5. Make necessary changes.** Small or large, adjustments will have to be made. Take the steps, make the changes, learn the lessons and do better next time.

— Adapted from *Sharing the Sandbox*, Dean Brenner, The Latimer Group. ■



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## Deliver a Power Speech

# Open your speech with fire

Legendary marketer David Ogilvy once said, “When you advertise fire extinguishers, open with the fire.” It’s good advice for business presenters.

Captivate your listeners from the first seconds of your talk. For example, tell a succinct story that’s suspenseful and leads to a cliffhanger. Then use your conclusion to reveal the ending.

To organize the first minute of your speech, prepare in threes:

**1. Establish credibility.** Even if someone introduces you, don’t assume the audience paid attention. You need to show why you’re an authority.

Rather than repeat your bio, use phrases such as, “From my 10 years of experience researching this subject, I’ve found that...” Or say, “If there’s anything I’ve learned after doing this for 300 clients, it’s that...”

**2. Grab attention.** If you can’t think of a concise, captivating story, you can still “open with the fire” by citing a recent news headline, holding up a prop or posing a riddle that has vexed experts.

Other attention-grabbing tactics include sharing “three little known facts about our business,” or creating a fun, quick quiz for the group.

**3. Provide an overview of what you’ll cover.** Round out your introduction by giving a one-sentence overview of how you’ve structured your remarks.

Examples include, “Let’s approach this topic by examining what’s going wrong, what’s going right and what’s at stake” or “In the next few minutes, we’ll evaluate past efforts, confront present challenges and weigh future outcomes.”

— Adapted from *Well Said!*, Darlene Price, AMACOM. ■

## Strategic Management

# Don’t promote too quickly

Holly Graf was booted as commander of a warship in 2010 for “cruelty and maltreatment” of her 400-member crew. According to the inspector general, Graf was the closest thing the U.S. Navy has seen to a female Captain Bligh.

Graf’s dark side emerged when she became executive officer of the destroyer *USS Curtis Wilbur* in 1997. In 2003, Graf made U.S. naval history as the first female commander of a destroyer, the *Churchill*. A chaplain spoke with her about the lowest morale he’d seen in visits to more than 200 ships. She went “bonkers” and refused to speak with him.

In 2008, she assumed command of the *USS Cowpens*. Instead of using the direct language of command, Graf chose profanity and humiliation, failing to train the people she belittled.

Graf was sidelined and given an hon-

orable retirement in 2012, but questions remain: How did the Navy miss her toxic behavior? Was she set up to fail?

Nicole Waybright, an officer who served with Graf on the *Curtis Wilbur*, thinks the Navy felt pressure to promote women, so it “put her on the best and most complicated tactical platform.”

But Graf had neither the temperament nor the experience for the job. “She was a terrible ship handler,” Waybright says.

Others are less forgiving. Shawn Smith, a retired Navy captain, is appalled and angry over the fate of young officers like her daughter who left the Navy after serving under Graf. “These kids,” she says, “did not deserve this kind of leadership.”

**Bottom line:** Never rush promotions.

— Adapted from “The Rise and Fall of a Female Captain Bligh,” Mark Thompson, *Time*. ■

## A Harvard view: Anchors away



**Q. I'm in a tough negotiation right now where the other side has made a very aggressive first offer. I know that I need to defuse his anchor, but I'm not sure how. What should I say and do?**

**A.** A well-known cognitive bias in negotiation, anchoring is the tendency to give too much weight to the first number put on the table and then inadequately adjust from that starting point. When your counterpart has dropped an anchor, the first and perhaps most important step is to recognize the move. Fortunately, you've already identified your counterpart's maneuver as an attempt to anchor the negotiation in his favor. Next, you need to defuse the anchor clearly and forcefully:

"I'm not trying to play games with you, but we are miles apart on price." A common mistake is to respond with a counteroffer before defusing the other side's anchor. If someone opens with \$100, and you want to counter with \$50, before presenting your number you need to make clear that \$100 is simply unacceptable. If you don't defuse the anchor first, you are suggesting that \$100 is in the bargaining zone.

After defusing the anchor, move quickly to your counterproposal, with the caveat that "protesting too much" might actually validate the anchor. In a negotiation simulation I observed recently, one student spent a considerable amount of time explaining why \$10.69 per hour would be an impossible wage rate. The final deal price: \$10.69 per hour. In making your counteroffer, be sure to explain your proposal; don't just throw a number over the fence. It's particularly important to explain why your counteroffer is fair. Also, be aware of the "midpoint rule": the best predictor of the final deal price is the midpoint of the first semi-reasonable offer and counteroffer. The

extent to which you can achieve or surpass the midpoint rule will depend on how effectively you have defused the anchor.

Here's one example: Recently, a small business owner was negotiating with a general contractor (GC) over the price for a public/private development project. They agreed on the scope of the project and the various details. Then the GC put together a price tag that was at the very high end of the zone of possible agreement, or ZOPA: \$1,150,000. In an email responding to various points in the proposal, the business owner quickly defused the anchor: "Probably most importantly, the number just isn't feasible." Then came the counteroffer, reinforced with a reference to a third-party constraint: "Not only do we not have this kind of money but the government is paying 20%, and it has estimated the project should cost no more than \$950,000. Can you let me know how we can get to that number?"

The GC came down a little bit but not enough, and offered to make compromises on the scope of the project.

The business owner then referenced his walk-away alternative and explained, "I'd rather just put off the project."

After a few more days of back-and-forth, the parties agreed on a price of \$1,040,000—almost halfway between the opening offers from both sides. ■

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## Are you a mindful leader?

If you're a keen observer with sharp sensory perceptions, then you're what Harvard psychology professor Ellen Langer calls "a mindful leader."

Mindful leaders possess curiosity, openness to new ideas and an awareness of their surroundings. They resist rigid thinking and bureaucratic rules. They have emotional intelligence.

To increase your mindfulness, watch how others interact. Try to connect cause and effect to see how an action leads to a reaction. If you hear someone in a group giggle, for instance, note whether the laughter builds.

Mindful leaders are rapt listeners who seek understanding, not agreement. They delight in learning a new fact or gaining an insight.

Thanks to their listening skills, mindful leaders are especially attuned to signs of change. They spot trends quickly, processing clues that others ignore. They're also more emotionally intelligent, noticing colleagues' moods.

Entrepreneurs and chief executives alike can demonstrate mindfulness. Take A.G. Lafley, former CEO of Procter & Gamble. He enjoyed visiting with customers in their homes and supermarkets, seeking out their opinions without imposing his own.

— Adapted from "13 Ways of Looking at a Leader," Leigh Buchanan, *Inc.* ■

## 8 musts

*Continued from page 1*

**6. Borrow the best ideas** and methods from others. GE was among the first to study and apply Wal-Mart's retailing systems.

**7. Remember** that great leaders are made, not born. "They're made," Loeb observed, "usually, self-made."

**8. Be yourself.** Figure out what you're good at and stick to it.

— Adapted from a speech that Marshall Loeb delivered before the Minnesota Center for Corporate Responsibility. ■

# The story behind Apple's iconic ad

Consigniere Bill Campbell, guru to Silicon Valley, played a key role in getting Apple's iconic "1984" ad on the air to introduce the Mac during Super Bowl XVIII.



Company managers feared the Ridley Scott ad was too costly and controversial, and said Apple should resell the air time.

When a sales executive told Campbell and Floyd Kvamme, EVP of sales and marketing, that she'd found a buyer for the time slot, the two looked at each other.

"Did she say anything?" Campbell asked Kvamme.

They never told Apple about a potential buyer and advertising history was made. *Advertising Age* calls that ad the best commercial ever made.

Campbell took over Apple's software unit and went on to shape Intuit, Apple and Google.

— Adapted from "The secret coach," Jennifer Reingold, *Fortune*. ■

# Be clear about the why

The power of *why* is what carries you and your team through the mundane donkey work of accomplishing your mission.

Any *hows* have no meaning unless your *whys* are powerful enough to motivate you, your employees and your customers. Without *why*, you'll end up like every other person who makes a New Year's resolution.

Here's a metaphor to bring it home:

If there were a 10-inch-wide, 30-foot plank and somebody offered you \$20 to walk it, of course you would. That's easy.

If the same plank were laid between the upper floors of two skyscrapers, you'd probably have a different thought.

But if your child was in the other building and it was on fire, you'd go across that plank without question.

There's your *why*.

— Adapted from *The Compound Effect*, Darren Hardy, Vanguard Press. ■

## Communication Strategy

# Keep one step ahead in arguments

When arguments arise, it's tempting to make statements to assert your claims or defend yourself. But shrewd questions work better to calm the situation.

Use these inquiries to extricate yourself from confrontational conversations:

- **If a colleague criticizes you**, ask, "Can you give an example?" When critics shift from leveling general attacks to citing specific instances, you're in a better position to evaluate the validity of their comments.

Follow up by asking, "Can you suggest any actions I can take to address your concern?" This shows you're eager to hear more and learn from others. Your receptivity, in itself, can defuse a hostile adversary.

- **If your beliefs come under attack**, resist the urge to defend or disagree. Instead, shove aside indignant feelings and play the role of an inquisitive college professor.

Say a disgruntled employee tells you, "You and your core values! You're such a hypocrite." Control your anger and ask, "How do you think our core values need to change?" As you brace for

stinging feedback, strive to understand the full nature of the employee's grievance before you respond.

- **If a customer adopts an apathetic tone**, your instinctive reaction might be to talk more. But before you shift into verbal overdrive, probe to determine the customer's mindset.

Ask, "What's the most pressing issue you face?" Steer the dialogue in a direction that will best serve the customer's interest.

- **If someone erupts in anger**, take a breath and remind yourself not to match or exceed the other's fury. Then pause and ask, "Do you mind if we start over?"

Highly emotional people might continue to express their anger. But keep asking succinct questions such as, "What can I do to help?" or "Can we start from scratch?" Responding to difficult conversations with earnest questions often helps you maintain your composure. Better yet, it signals to others that you're eager to listen rather than ratchet up the tension.

— Adapted from *Power Questions*, Andrew Sobel and Jerold Panas, John Wiley & Sons. ■

## Leaders Toolkit

# When leaders need to be boring

Stanford professor Bob Sutton regards leadership as an expression of comedy and tragedy.

For instance, he has said that good leaders know when to be boring, vague, emotionally detached and authoritarian.

In a recent interview, he was asked when boredom might be desirable.

Sutton described the plight of Don Petersen, CEO of Ford after the Iacocca era, when the company had almost nothing but bad news.

Petersen was invited to speak at the National Press Club.

"He didn't want to do it," Sutton says. "At the time, Ford had no good cars at

all. But he and his PR chief decided he would go and give a speech about the most boring subject they could think of. At the time, that was safety.

He practiced speaking in the most boring way possible, using the passive voice and long sentences.

He put up charts that were hard to read, and then turned his back to the audience to talk about the charts.

After that, the press lost interest in him for a while, so he could concentrate on doing the work."

— Adapted from "Leadership: A thoroughly counterintuitive approach," Leigh Buchanan interview with Bob Sutton, *Inc.* ■