

RESEARCH ALERT no. 13 May 2010

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The Alert contains internet material, including videos and podcasts. Our office PC's have firewall restrictions, so a solution might be to watch from home.

FEATURE: TRUST



Blogpost - <u>Creating the High Trust</u> <u>Organization</u> (John MacKey, Whole Foods Market, March 2010)

Summary: Essay by John MacKey, CEO of Whole Foods Market, on creating high trust organizations. According to MacKey, creating a high trust organization requires three major changes. Quote:

- First, the organization must become conscious of its higher purposes.
 Without consciousness of higher purposes, organizations will not reach their fullest potential because the creative energy within the organization will not be fully expressed.
- Second, we'll need our leaders to evolve to higher levels of consciousness and trust. We will not be able to create high trust organizations without more conscious and high trust leaders. Less conscious leaders will tend to hold their organizations back.
- Third, we will need to evolve the cultures of our organization in ways that create processes, strategies, and structures that encourage higher levels of trust. These will necessarily include the important ideals of teams,

empowerment, transparency, authentic communication, fairness, love and care. If you read the post, don't forget to check out the comments. Keywords: engagement, trust, management innovation, leadership, ethics

TRUST

Video (3:30) - <u>What's love got to do with it?</u> (John MacKey, 2010) According to Whole Foods Market CEO John MacKey, one cannot create a culture of trust within an organization unless love and care is a big part of that culture. Keywords: leadership, engagement, trust

Video (7:30) - <u>Is your organization high-trust or low-trust?</u> (Raj Sisodia, May 2010) Raj Sisodia, Professor of Marketing at Bentley and author of <u>Firms of Endearment</u> on the challenge of turning low trust organisations into organisations with a high degree of trust.

Keywords: trust, management innovation, leadership, ethics, engagement

INCENTIVES & MOTIVATION

Video, Animation (10:00) - <u>Drive: The surprising truth about what motivates us</u> (Dan Pink, RSA Animate 2010) Wonderful animation adapted from Dan Pink's talk on motivation, bonuses, incentives

Wonderful animation adapted from Dan Pink's talk on motivation, bonuses, incentives and engagement at the Royal Society of Arts (RSA) in April 2010. Keywords: motivation, incentives, rewards, engagement

ETHICS

Research, presentation - **Power and deception: People with power are better liars** (Dana R. Carney, Andy J. Yap, Brian J. Lucas, & Pranjal H. Mehta, Columbia University, covered in Harvard Business Review, May 2010)

- Link to the research report
- Link to HBR article

Research by Columbia University, examining the relationship between positions of power or hierarchies of control and facility with telling falsehoods. The research tested and found that holding power buffers individuals from the stressful event of telling a lie and leads to easy and effective deception. In situations of high (vs. low) power, lie-tellers appear like truth-tellers emotionally, cognitively, physiologically, and nonverbally. Or to put it more simply: people with power are better liars. Keywords: ethics, leadership, trust, research

LEADERSHIP

Blogpost - <u>Sharing Leadership to Maximize Talent</u> (Marshall Goldsmith, Harvard Business Review, May 2010)

With more complex markets increasing the demands on leadership, the job in many cases is too large for one individual. In this post, management coach Marshall Goldsmith explains the notion of shared leadership. Shared leadership aims to maximize all of the human resources in an organization by empowering individuals and giving them an opportunity to take leadership positions in their areas of expertise. The approach is currently being tested as one possible solution for meeting challenging business needs like the ever growing need for dynamic flexibility and a broad base of knowledge and expertise.

Keywords: leadership, management innovation, talent management, engagement

Blogpost - <u>The Jim Collins Story: From Good to the Grave</u> (Steve Denning, 21 May 2010)

Steve Denning, author of <u>The Secret Language of Leadership</u> (2007) and <u>The Leader's</u> <u>Guide to Radical Management</u> (November 2010), does not like Jim Collins' book <u>From</u> <u>Good to Great</u> (2001). According to Denning, From Good to Great is based on bad methodology and an outdated organisational paradigm, and firms who pursue the model described in it are heading not for greatness but the grave. Keywords: leadership, strategy

Humour, Video (4:00) - <u>Leading professionals... The Conductor</u> (Rowan Atkinson, 1981)

Rowan Atkinson conducting Beethoven's 5th symphony, as part of Amnesty International's 'The Secret Policeman's Ball'. Illustrates some of the hazards of leading professionals. Enjoy!

Keywords: humour, leadership

Video (7:00) - <u>Successful leaders and number one problems of people you work with</u> (Marshall Goldsmith, DenkProducties, 2010)

Marshall Goldsmith talks about different aspects of leadership and shows some classic examples of the problems successful people have. According to Goldsmith, smart and successful people always want to add value, with the danger that suggestions become orders. Goldsmith: "Four words to become a better leader: help more, judge less." Keywords: leadership, management

Blogpost - <u>Narcissism, Partnership and Strategy</u> (Walter Kiechel, Harvard Business Review, May 2010)

Discussion about research showing that over the past 25 years college students in the U.S. have scored steadily higher on tests for narcissism. In the latest issue of <u>Academy of Management Learning and Education</u> Professors Bergman, Westerman and Daly note that "the mean narcissism score of 2006 college students on the Narcissistic Personality Inventory (NPI) approached that of a celebrity sample of movie stars, reality TV winners and famous musicians." As a possible remedy (or part of a remedy), Walter Kiecher proposes that leaders start to work in partnerships, thus sharing responsibility.

Keywords: ethics, trust, leadership, research

Dutch only - Video (10:00) - Onzichtbaar leiderschap (Mathieu Weggeman,

DenkProducties, 2010) In this video professor Mathieu Weggeman, author of the book <u>Leiddinggeven aan</u> <u>professionals? Niet doen!</u> (2008), explains why managers should serve their team, should help their people to get the work done and should act as a protective heat-shield against 'white noise' from the top. Keywords: leadership, management

DIVERSITY

Article - <u>What the U.S. can learn from Europe about gender equality in the workplace</u> (Sylvia Ann Hewlett, Harvard Business Review, May 2010)

Sylvia Ann Hewlett - economist, author, and founding president of the <u>Center for</u> <u>Work-Life Policy</u> - considers the progress of U.S. women disappointing. Programs that promote and sustain women on their way to the top are laudatory, but these programs are outliers and the women who take advantage of them are just the fortunate few. What's needed according to Hewlett to truly enable all women to exploit their full potential is something far more pervasive, something that becomes the law of the land. As examples she discusses policy making in Britain, Germany and France.

Keywords: diversity, gender

SYSTEMS THINKING / BUSINESS PROCESS IMPROVEMENT

Article - <u>Why Lean doesn't work in service organisations</u> (John Seddon, Sterling Performance, May 2010)

Professor John Seddon explains why Lean doesn't live up to expectations within service organisations. Lean (and, for that matter, Six Sigma as well) aim to reduce variation. According to Seddon this doesn't work for service organisations, because within service variation is inherent - hence the work should be designed to absorb variation.

Keywords: systems thinking, lean six sigma

INNOVATION

Video (6:00) - <u>"Back to Orbit": A song about innovation</u> (Gus Bitdinger) Song about innovation by Gus Bitdinger, based on the book <u>Orbiting the Giant</u> <u>Hairball</u> by the late Gordon MacKenzie. Hairball is about the challenges of doing creative things in organizations, the mindsets and methods that kill creativity, and the ways to overcome them. Harvard Business School professor Robert Sutton has blogged about the song <u>here</u>.

Keywords: leadership, innovation, humour

RISK

Article - **Risk management after the Great Crash** (Hans J. Blommestein, Journal of Financial Transformation, April 2010)

From the abstract: "Given the inadequate and very imperfect academic knowledge and tools that are available, risk management as a scientific discipline is not capable of dealing adequately with fundamental uncertainty in the financial system. Too much faith in a new generation of complex risk models might even lead to more spectacular risk management problems. Most promising approach for improving risk management systems is by providing a coherent framework for addressing systematically weaknesses and problems that are of a qualitative nature." Keywords: risk, financial crisis

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Video (30:00) - <u>David Cameron in conversation with Nassim Taleb</u> (Royal Society of Arts, February 2010)

David Cameron and best-selling author Nassim Taleb (<u>The Black Swan</u>, 2007) discuss what measures need to be taken in the wake of the economic crisis to create a more Black Swan-robust society.

Keywords: financial crisis, risk

Video - <u>The Crises of Capitalism</u> (David Harvey, RSA, April 2010)

Sociologist David Harvey explains why we are facing a spiral of recurring crises, driven by financial innovation, systemic risk and capital accumulation. Harvey points out that a lot of economic crises in the past were formed by excessive housing and property development. His argument is that this volatility will remain and move around. Harvey: "Capitalism never solves its crisis problems, it moves them around geographically."

Keywords: financial crisis, risk

EDUCATION

Video (17:00) - <u>Sir Ken Robinson: Bring on the learning revolution!</u> (TED-lecture, May 2010)

In this poignant, funny follow-up to his <u>fabled 2006 TED-talk</u>, Sir Ken Robinson makes the case for a radical shift from standardized schools to personalized learning, to create conditions where kids' natural talents can flourish. Recommended to anyone concerned with education and learning.

TALENT MANAGEMENT

Report - Talent Mobility 2020: The next generation of international assignments (PWC, 2010)

What will happen to the global workforce when it is the year 2020? According to the future scenarios of PriceWaterhouseCoopers the business world will be influenced by the rise of emerging markets and a focus on new revenue streams. This will create a shift in global worker mobility. An increasing number of employees will work in a globalised role and companies will see increases in the number of assignments around the world. Organisations should prepare themselves to radically rethink policy and processes for international assignments. Mobility strategies will need to become more sophisticated and complex as organisations meet growing deployment demands and different needs and expectations of workers.

Keywords: talent management, mobility, expats

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Article - Overstretched (Schumpeter, The Economist, May 2010)

Current research among workers show that they feel overloaded because their extra effort is not recognized, even in this time of economic crisis. Companies are beginning to notice the downside of this overstretching. Signs are a rise of absenteeism, growing low level corporate crime and waning corporate loyalty. Though growth is slow and weak, companies are beginning to hire again. The biggest danger for companies is when workers and star employees head for the door and look for work elsewhere. There are three strategies to deal with this threat: redouble efforts to make staff feel valued, give workers more control over their lives and pay particular attention to the high performers.

Keywords: retention, talent management, engagement

SOCIAL MEDIA

Report - Why social media matters to your business (Chadwick Martin Bailey, March 2010)

Why do consumers become a fan of companies on Facebook or Twitter? And what is the probability that somebody will recommend a particular brand to his network? These questions were the basis of research on how social media is used for marketing strategy. Though companies regard social media as essential in their marketing, only a minority is really active on Twitter or Facebook. Keywords: social media, marketing, consumers

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