

Leading Transformation: The Role of HR Professionals in Power, Politics and Control Webinar

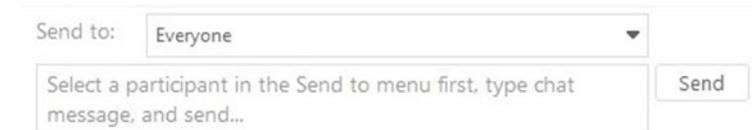
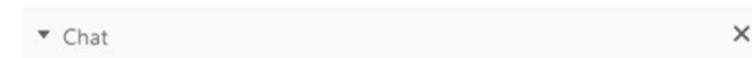
September 17, 2020



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Paul Taffinder, PhD
Founder / Managing Partner
Taffinder Consulting

Professional Bio:

<https://taffinderconsulting.com/about/>

Connect via these links...

LinkedIn: [Paul Taffinder](#)

Twitter: [Paul Taffinder](#)

Email: pt@taffinderconsulting.com



Max Blumberg, PhD
Affiliate Research Scientist

Center for Effective Organizations
Marshall School of Business
University of Southern California

Professional Bio:

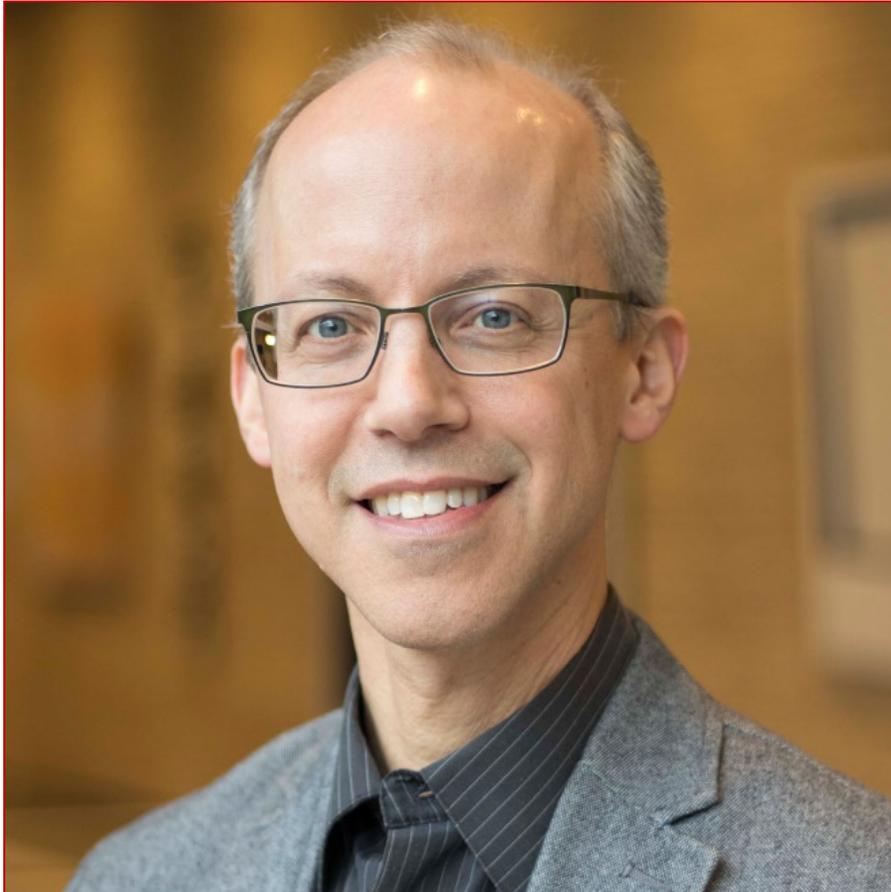
<https://ceo.usc.edu/bio/max-blumberg/>

Connect via these links...

LinkedIn: [Max Blumberg](#)

Twitter: [Max Blumberg](#)

Email: max1@maxb.com



Alec Levenson, PhD
Senior Research Scientist

Center for Effective Organizations
Marshall School of Business
University of Southern California

Professional Bio:

<https://ceo.usc.edu/bio/alec-r-levenson/>

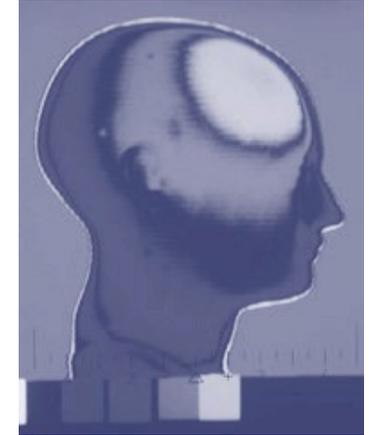
Connect via these links...

LinkedIn: [Alec Levenson](#)

Twitter: [Alec Levenson](#)

Email: levenson@marshall.usc.edu

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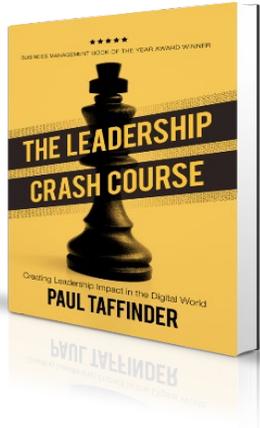
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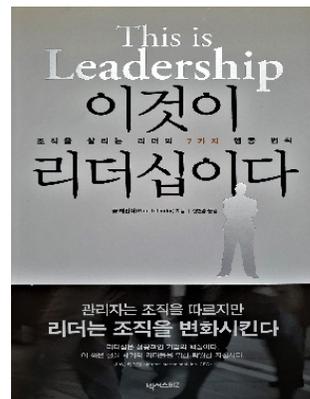
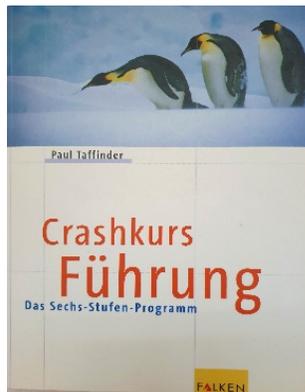
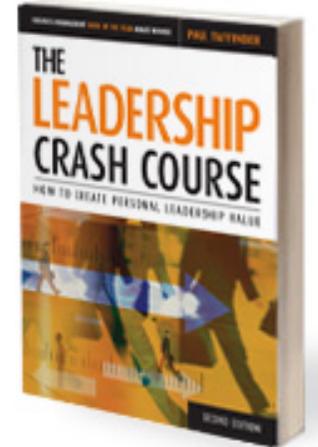
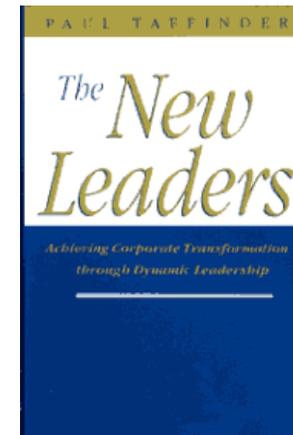
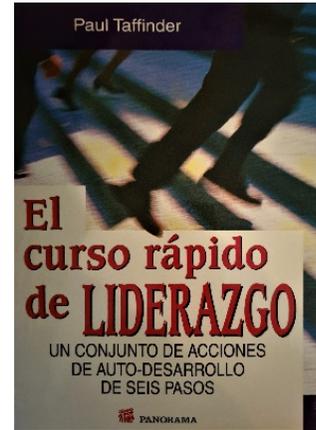
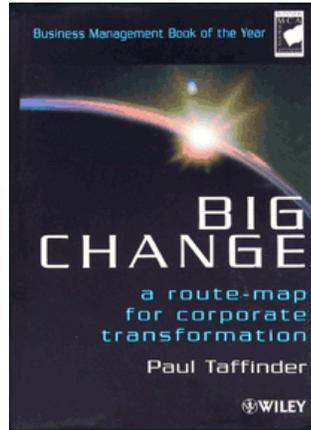
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Dr Paul Taffinder

Examples in My Books



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Transformation from the CEO's pov

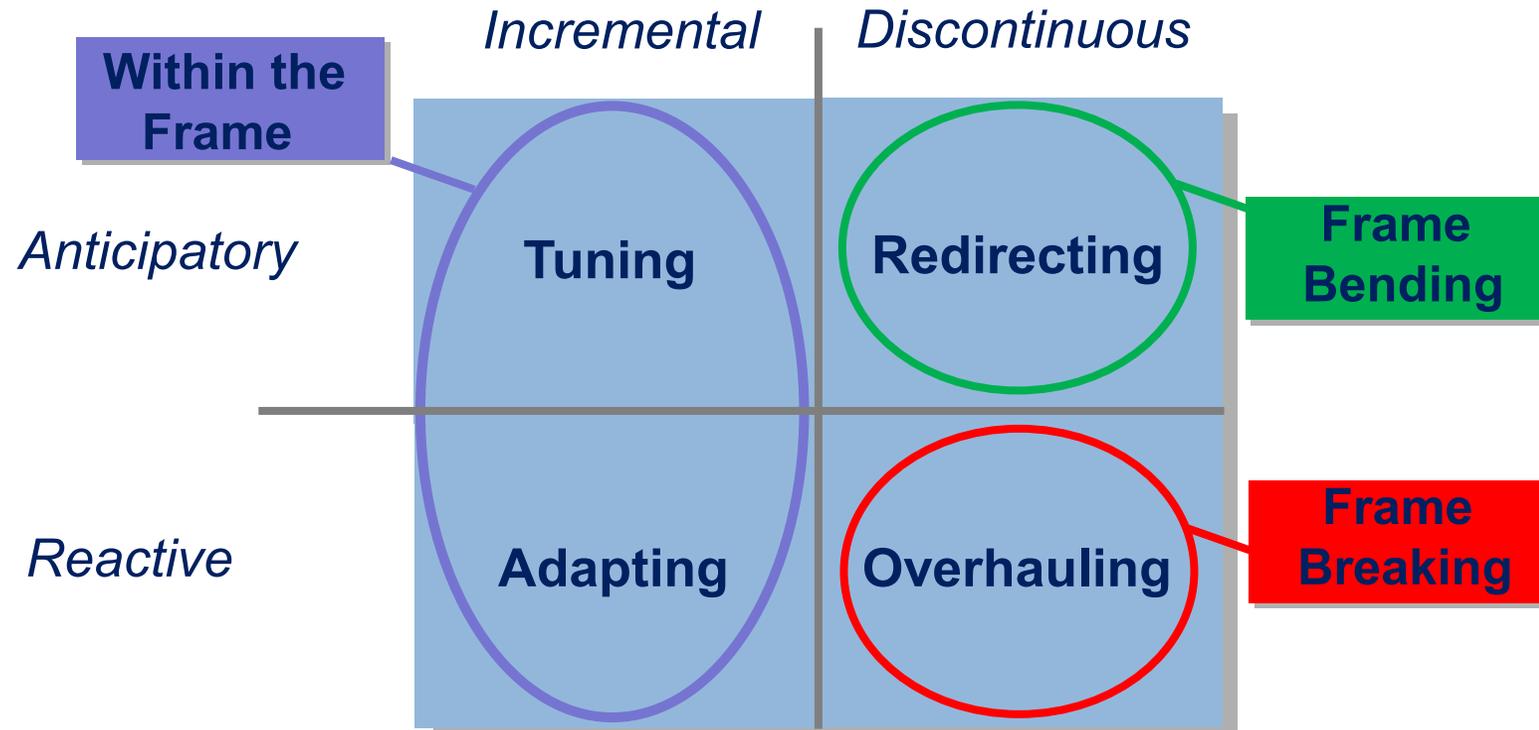


The Habitat of the CEO

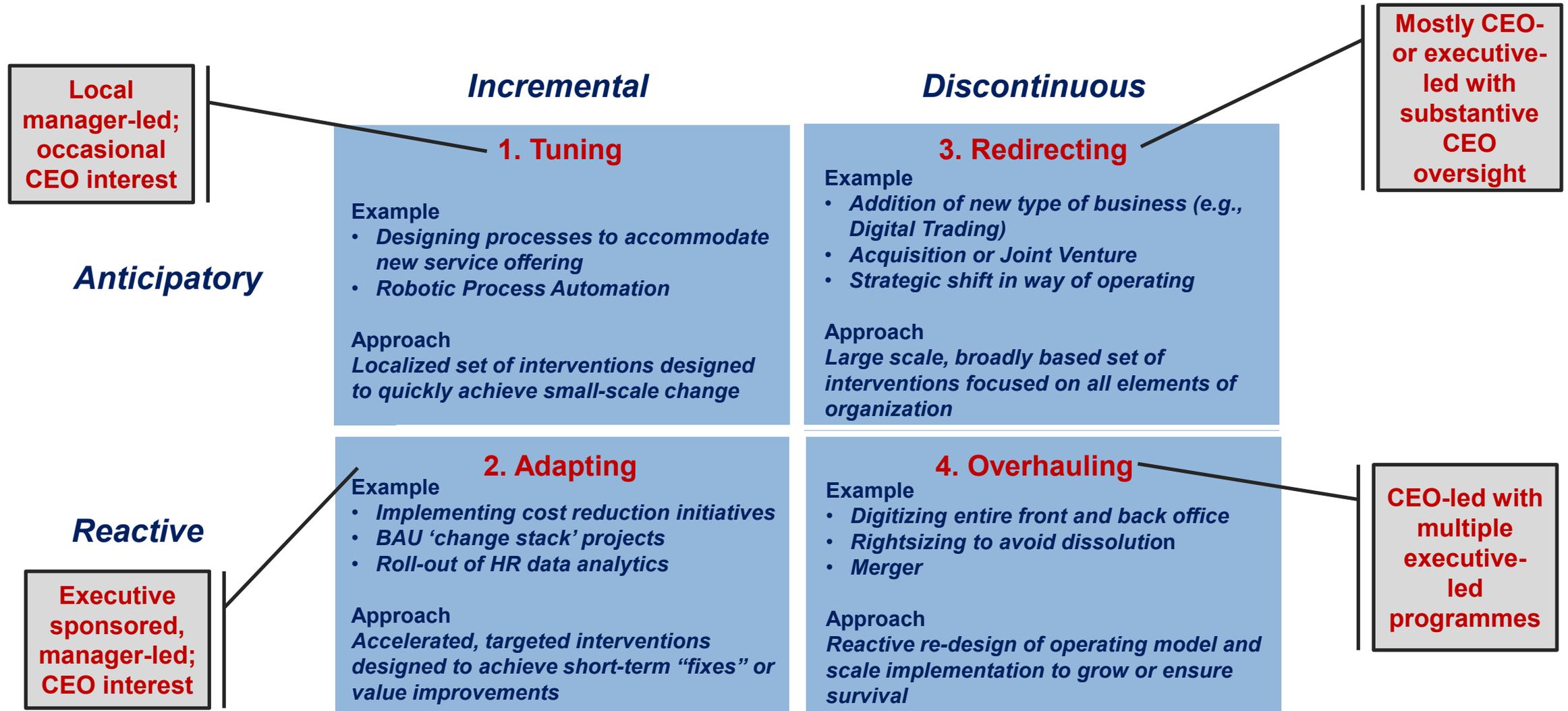
The natural habitat of CEOs is the Executive Team. Although these teams share some of the characteristics of other teams, they are very different because they:

- Are uniquely influenced by external forces
 - ...competitors, financial markets, regulators, board of directors, shareholders etc.
- Have a complex mandate
 - ...internal and external demands and responsibilities, strategic and operational, institutional leadership and ultimate performance
- Amplify and focus organisational politics
 - ...on a small group of individuals
- Have heightened visibility as the symbol of institutional leadership
 - ...so their internal dynamics become spectator sport for the business
- Attract individualists with high needs for power and achievement
 - ...who sometimes rise to the top because of their individual performance rather than teamwork
- Symbolize special status and hierarchy
 - ...therefore gaining or losing membership becomes a critical concern for individuals
- Have the CEO as the team leader
 - ...who, therefore, is final authority, decision-maker and arbiter – and there is no higher authority that can step in to resolve issues.

Organizational Change & Transformation



The CEO's involvement in the change will vary by type



The Real Concerns CEOs Don't Reveal

1. Dominant on the surface – anxieties underneath
2. 'I'm moving so fast, I don't know how to take stock without disrupting critical work'
3. 'Where am I taking this business?' – top of mind; want 'strategy on a page' to guide decisions
4. 'I need to trust someone completely (and privately)'
5. 'I have influence but very little power'
6. 'Individual & team loyalty is critical to me' – but flipside is that CEOs therefore tend to take a long time before dealing with, let alone pulling the trigger on, executive performance issues
7. Rational decisions? Length of their tenure, internal politics, ExCo dynamics, and concern for loyalty all tend to compound how CEOs make decisions
8. Effective use of conflict is a vital CEO capability – but few use it well
9. 'Bring me *solutions* not problems': fluid intelligence vs crystallized intelligence
10. Power matters – CEOs want to feel control. *Options* offer control.



Transformation 1: The Charismatic CEO

Context:

- Long history of success, growth, profitability
- But now squeezed between top-tier dominant firms and middle tier 'pretenders'

Presenting Issue:

- Introduction via HR re leadership profiling/development for next-gen talent

Emerging Challenges:

- How is our market changing? How do we stay relevant as a firm?
- Where am I taking this business?
- How do I get my ExCo involved, aligned and committed to a new direction and future? How do I simultaneously build an effective team?

Specific Interventions:

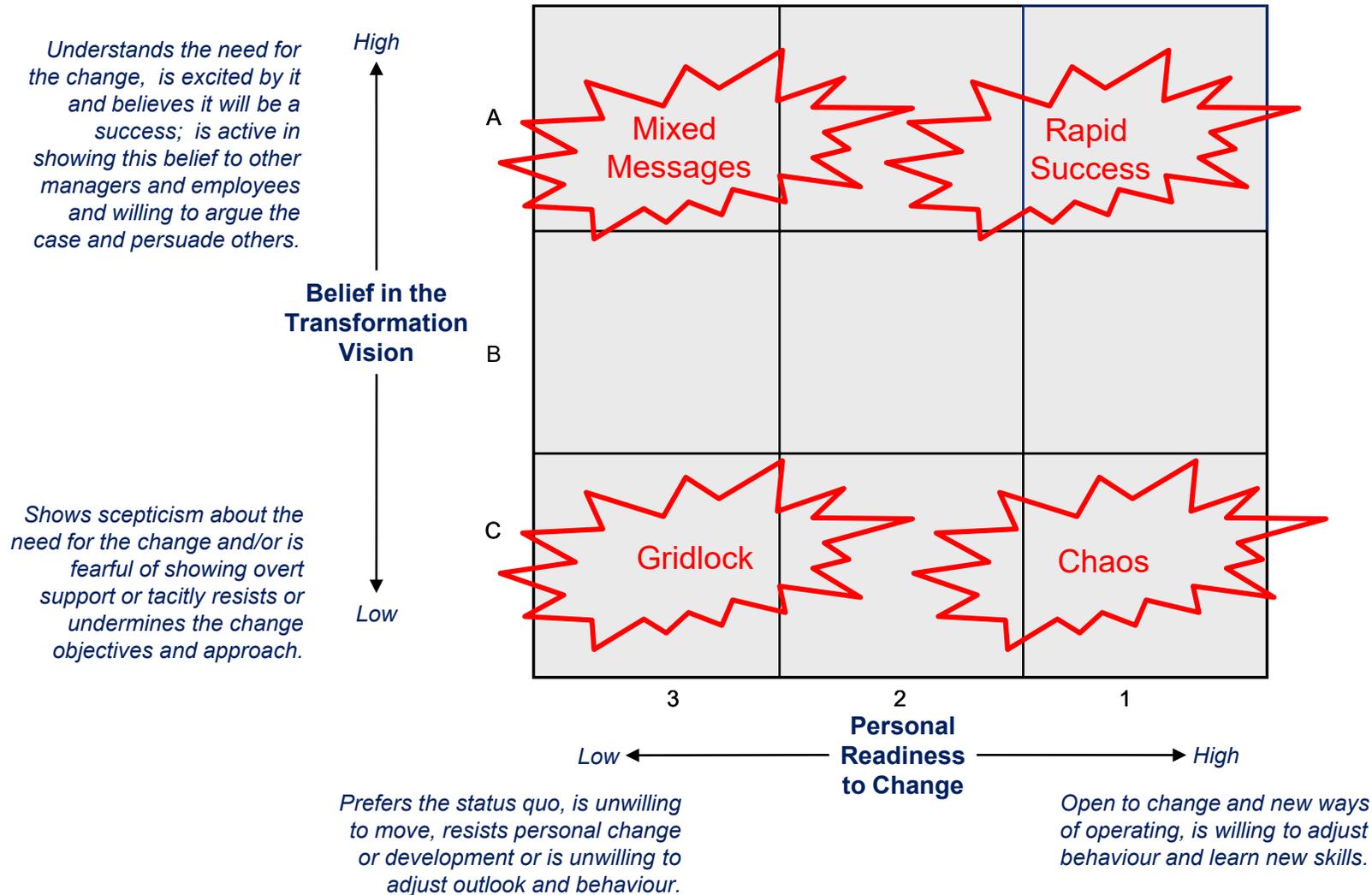
- Advice to CEO – very broad bandwidth of issues, questions, frustrations
- 'Please go handle the difficult folk...Change them!'
- Pulling the trigger on disruptors or underperformers
- Praise in public, criticize in private
- Can I appoint joint-CEOs for a BU?
- Vocabulary for talking about & tackling culture

Personal Stuff:

- Fun, charismatic, dominant
- Values loyalty
- Sucks decisions upwards
- Occasional public outbursts
- Blindspots on difficult, disruptive execs, delegation and 'culture'



Transformation 1: Leveraging Wider Leadership

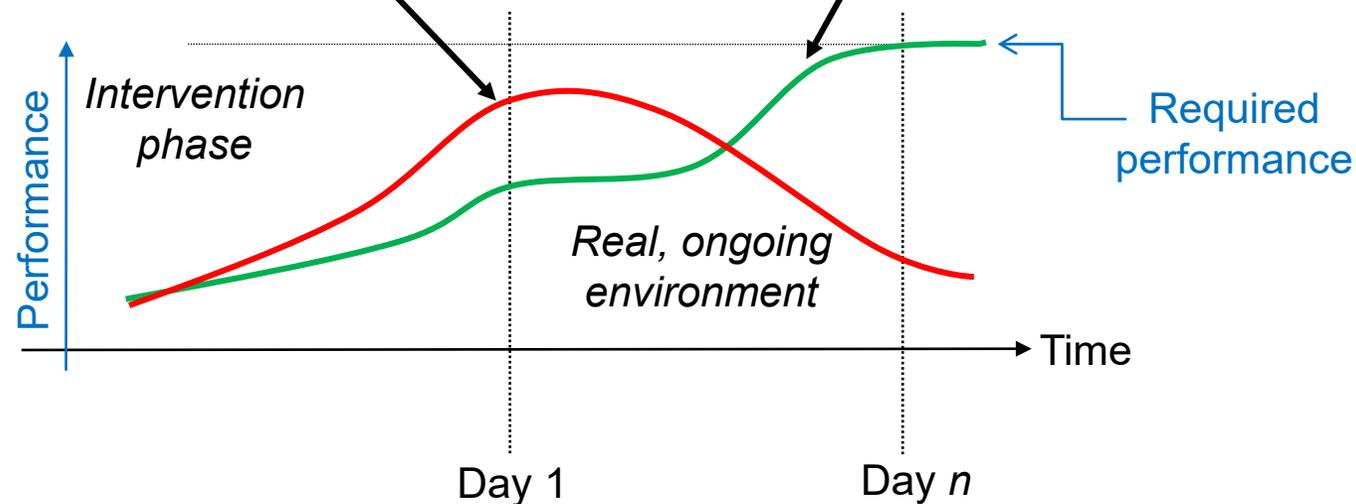


- HR Leaders' Role:**
- Helping to shift power
 - Identifying grid 'location'
 - Planning support, training, insight
 - Deploying interventions

Transformation 1: Sustaining Leadership Change

'Narrow Interventions' (e.g., training and learning forums alone): fast performance improvements through intense focus, but not sustained in work environment. Impact: behavioural reversion

'Broad Interventions' (e.g., training plus follow-up coaching, problem-solving, curated insight): slower impact in complex environments but much better performance improvement over time. Impact: sustained behavioural change



Accenture/Taffinder, BP MLD Report, 2000

HR Leaders' Role:

- *Shift focus to leadership and transformation outcomes – not delivery inputs*

Follow-up coaching support, problem-solving and curated insight after workshop training and leadership forums ensure traction back at work and sustain development impact

Transformation 2: Be Careful What You Wish For

Context:

- Exceptional brand as a medium player
- Needed scale and global reach to sustain position

Presenting Issue:

- 3 years' advisory support on scaling up, then 8 year JV deal; 4 year break clause
- 'The other JV CEO is going to drive me out!'

Emerging Challenges:

- 'I wanted this CEO role and to secure the future of the firm so badly...but now *I'm* in danger of being sacrificed!'
- Being intimidated by a more powerful CEO and out-manoeuvred in the JV

Specific Interventions:

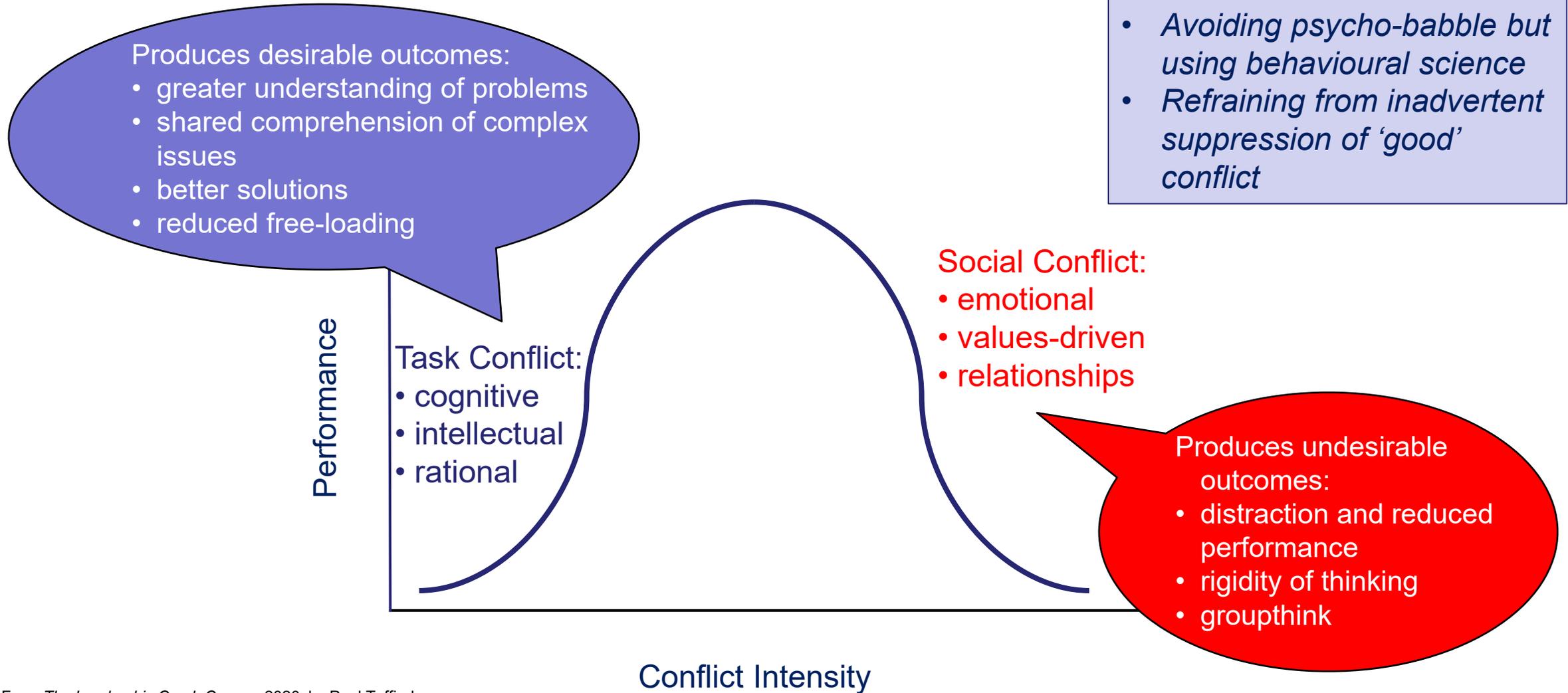
- Advice to CEO – stepping back from the brink, in-depth leadership/psych profiling
- 'Remote profiling' of other CEO – decision-making, motivations, concerns
- Prep and rehearsal prior to JV Board meetings
- From back-foot to front-foot: anticipating 'manoeuvres', blocking unpalatable decisions, proactively proposing alternatives, second-guessing plans
- Generating strategic and tactical *options*

Personal Stuff:

- Ambitious, smart, refined
- Gentleman vs streetfighter
- Legacy & success matter
- 'Putting the mask on'
- Trust in an advisor
- Blindspot in admitting blindspots!
- Learning to escalate & de-escalate conflict



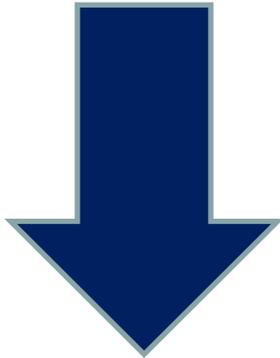
Transformation 2: Understanding Conflict



From *The Leadership Crash Course*, 2020, by Paul Taffinder

All Transformations: Two Rules for Using Conflict

1. Promote task-conflict (debate, facts, opposing views) rather than postponing it or inadvertently driving it below the surface.



2. Build unity and cohesion around common values and norms rather than *assuming* a single sense of purpose, shared identity or belonging.

Stepping Up: How New CEOs Get Eaten Alive

Transition Challenges	<ul style="list-style-type: none">• Over reliance on your current strengths in your new role as CEO• Discouraging feedback on your leadership• Viewing the need for 'coaching' or 'advice' as a sign of weakness• Assuming that you 'have the answer' rather than gathering input from many sources
Establishing Credibility	<ul style="list-style-type: none">• Communicating that you 'have the answer' for how the company should change• Sending operational and not strategic messages to the organization• Initial actions not matching initial communications• Focusing exclusively on either the short or long term
First 300 Days	<ul style="list-style-type: none">• Assuming the financial markets will be patient• Articulating a vision for the company that only responds to financial targets• Keeping people around who are not contributing
Getting to Leadership Team Effectiveness	<ul style="list-style-type: none">• Ignoring that there are people who want you to fail• Getting the wrong people involved in making decisions• Expecting that your relationship with key executives will not change
Stepping Through the Minefield	<ul style="list-style-type: none">• Failing to understand the Board's expectations• Going to the financial analysts with a strategy and no execution plan• Assuming people will be honest with you and bring you bad news• Assuming that if you ask for something to happen, it will

Transformation 3: Look at Me! Look at Me!

Context:

- Ambition to become Fortune 500 firm; transformation under pressure
- Vision hamstrung by huge investment in 'target' infrastructure without underlying performance or team 'ownership'

Presenting Issue:

- 'I hear from my HR Director you are coaching one of my execs! How about a strategic team offsite?'

Emerging Challenges:

- Talking about self and showing off was alienating team(s)
- Getting feedback to the CEO on own leadership behaviour
- What strategy will deliver the missing performance and future vision?

Specific Interventions:

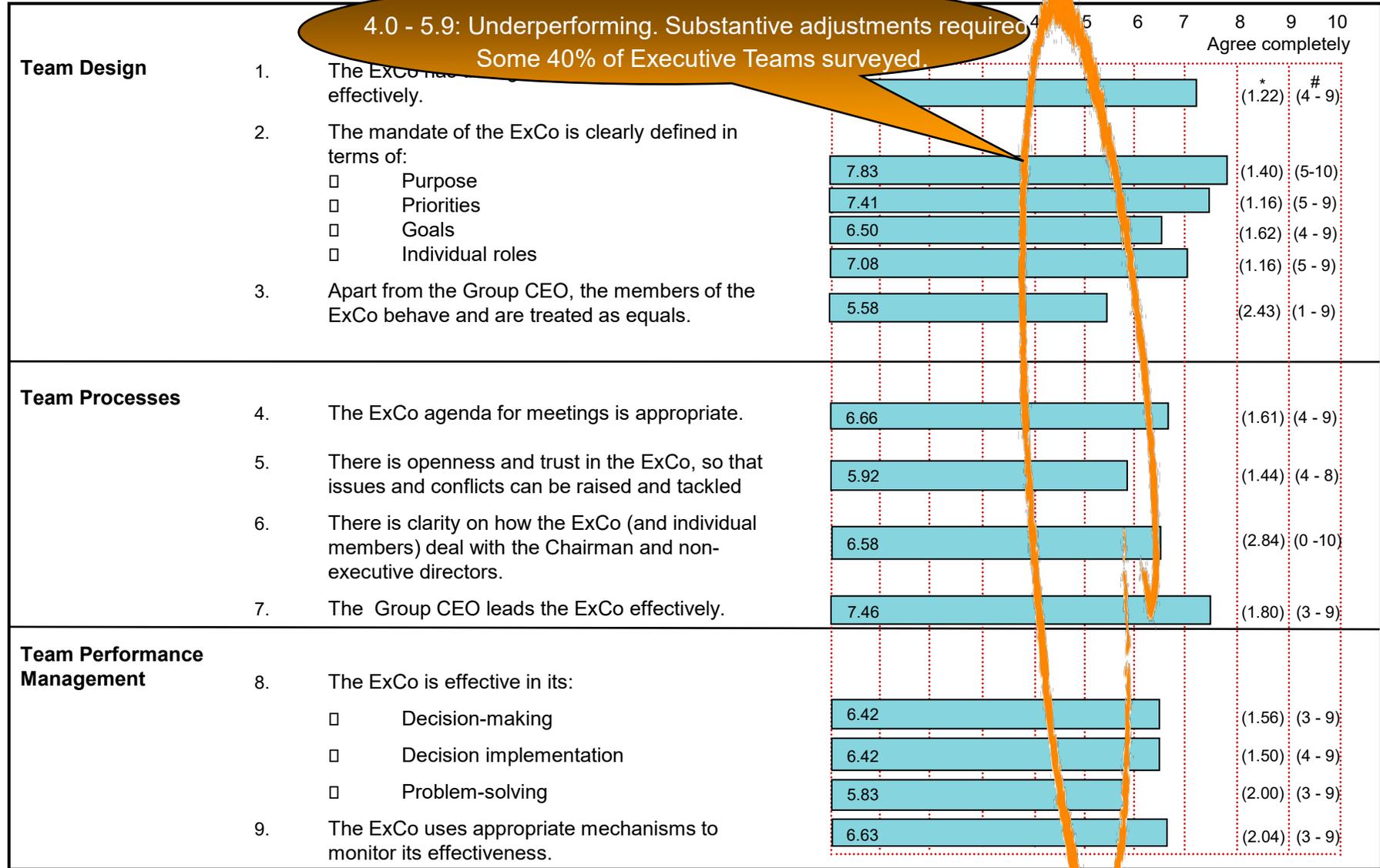
- Advice and ongoing feedback to CEO – in-depth leadership/psych profiling
- 'How do I deal with underperforming BU?' Pulling the trigger
- Introducing strategic process to show reality of future decision *options*
- Building Leadership Team effectiveness (and wider team ownership)
- Democratizing problem-solving

Personal Stuff:

- Sociable, confident, pushy
- Ambitious, desperate to prove success
- 'This must look like a huge, successful business'
- Lesson: 'Where am I really taking this firm?'
- How do I build a high performing team and ownership throughout?



Transformation 3: ExCo Power, Politics, Control



* = Standard Deviation

= Range

HR Leaders' Role:

- Helping to spread power
- Driving team effectiveness down from ExCo
- Contributing to strategy execution via teamwork, leadership support and CEO development
- Operating as trust builders

Fluid Intelligence (problem-solving): *the* critical capability

1. Problem-solving is becoming *the* critical capability for leaders – individually and in creating the context and capability among their teams.
2. This is because problem-solving enables flexibility and agility in responding to fast-changing or complex business environments – digital, COVID-19, remote-commerce, innovation.
3. It is hugely valuable to leaders who must handle complexity to learn structured problem-solving techniques and models:
 - design thinking
 - root-cause analysis
 - impact-effort matrix
 - employee engagement



HR Leaders' Role:

- *Selecting for fluid intelligence*
- *Providing problem-solving framework and methods*
- *Supporting techniques and models in a live context, post-training, to create traction among leaders and drive genuine commercial value.*

The Real Concerns CEOs Don't Reveal & How HR Can Help

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1. Can you pinpoint them and help?
2. How to create 'head space' for thinking and rational action?
3. Ask the simple strategic questions: 'Where and how must we compete?'
4. Is this you? How to get there?
5. What can you offer to boost this?
6. Are you alert to this and armed with solutions and willingness to prompt?
7. To what extent do you take account of these in driving critical decisions? Are you easing or compounding these?
8. Do you (unconsciously) suppress conflict or facilitate its constructive use?
9. Fluid intelligence and problem-solving methods are ever more critical today.
10. How do you develop and offer options?



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Contact Lisa Heidrich at lisa.heidrich@marshall.usc.edu or Jennifer Sparks at SparksJ@marshall.usc.edu for more information.

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Alec Levenson
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