

Phoenix Leadership

By Ed Hampton

Disaster can strike an organization or project at any time. It comes in many forms: attack, hostile takeover, forced restructuring, or loss of a major asset, market, or contract, and many others. What quintessentially defines disaster is that it is unseen and it strikes hard, creating a clear and present danger to the viability of the organization or project.

Disaster can also prove less of a danger and more of an opportunity with the proper reaction. The difference? Phoenix Leadership.

Phoenix leadership is leadership that takes an organization from the wreckage of disaster to a place where it is at least restored and at best it is made better. The old adage “that which does not kill us makes us stronger” is true providing that we are not so disoriented or debilitated by the adversity that we are unable to take advantage of the opportunities that are always present in times of change.

Whether the leader is a project manager or the President of the United States, the Phoenix Leader creates and organizes action to get self and/or organization back on track. The steps involved include (see Phoenix Change Model):

1. Set a vision
2. Stop the slide into chaos
3. Energize stakeholders
4. Establish policies
5. Empower, encourage, resource, and reinforce gains
6. Achieve the vision

If you remember the dark, frightening days after 9/11/01, you will remember that we were a nation reeling as beliefs and comfort zones were destroyed along with the Trade Center Towers. It was not clear

whether this was a single act or the beginning of things more horrifying. Flags and patriotism came out as people sought to reassure themselves and each other that what made us Americans was still alive and viable. We had been thrown into chaos.



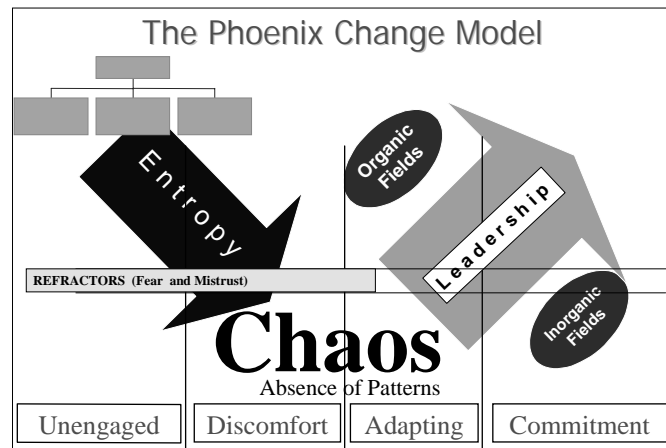
There were important immediate responses that served to stop or slow the development of chaos: planes were grounded, defense assets were scrambled and positioned, bulletins reassured us that our leadership was intact. The President made a statement within hours of the attack that created a vision that was reinforced by his address to Congress later: we would not only survive, we would victoriously remove the threat and would be stronger and greater for it.

Other leaders, from congressmen to Mayor Giuliani, reinforced the President’s message with words and actions. Our country became more unified, and stronger, as a result of our response to the attacks.

Here are some keys to successful Phoenix leadership.

Reframe how chaos is defined. The Phoenix leader must see chaos not as disorder, but as the absence of patterns. Along with danger,

chaos creates opportunity. The absence of patterns means there is room for new patterns — relationships, processes, structures that make up the organization and make it work. The key silver lining of disaster is that it removes patterns and creates gaps. The choice and opportunity is to bring back what was there or to create new patterns.



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Understand the restorative power of vision. The first step in a deliberate change effort is to create a compelling vision that makes people want to leave old patterns for the new. Ideally, patterns would be deliberately and purposefully removed to make way for change. Unfortunately, disaster suddenly removes patterns with no vision to help guide the key choice of re-building to old or to new. So, a key is to put a vision in place. The Phoenix leader has been considering possibilities for the future, and is more prepared than others when disaster creates opportunity.

Stop the unraveling. Disaster does not selectively and/or surgically remove patterns in a purposeful way. It rips them out. The desired may get ripped out with the undesired. Some patterns and structures are damaged beyond repair. So, like a builder who first clears the site of old structures and rubble, the Phoenix leader must clean up what disaster has wrought in order to begin rebuilding and renewal.

Chart and manage the path to the vision. The leap from where disaster dumps the organization or project to where the vision promises to take it is often too large to assimilate. The path should enable small steps of progressive steps that lead to the vision. Keys here include understanding the skills and needs of the people involved, and finding ways to help them feel connection to the new patterns.

Both lead and manage. Phoenix leadership is a dynamic combination of management and leadership. Some things may not need to be explored, like when and how people are paid, or meeting critical delivery dates. However, there will be other places where there is room for discovering new processes, and this is where a leader can help an organization to realize the potential that disaster creates.

The leadership dynamic allows more empowered behavior, in which people can explore various paths to achieve the vision. In the absence of patterns, this creative approach to work enables the organization to explore and experiment with a range of patterns that can later be locked into a management structure.

The management dynamic provides structure and

stability, so critical to the continuity of what is good and desired. It is focused more upon efficiency, doing things in the most direct way possible to get the most predictable and consistent outcome possible. So, as the leader facilitates progression to the vision, he/she consciously allows leadership or management to reign.

A great model for doing this is the Level 5 Leadership described in Jim Collins' book *Good to Great*.

"...a leader can help an organization to realize the potential that disaster creates."

Energize field generators.

Field generators are people and things that create a force that supplements and enhances the Phoenix Leader's actions. In the 9/11 example, congressional

leaders produce organic fields — stakeholders who actively press the leader's success. The new policies produce inorganic fields — policies, structures, resources that generate supporting pressure to move the organization and/or project toward attaining the vision.

The leader is a field generator with an important proviso: that he or she is credible. A key assumption for Phoenix Leadership to work is that people have a required level of trust and confidence in the leader. Believe it or not, people would rather exist in the aftermath a disaster leaves than invest time and energy in a leader who they mistrust. Such a leader might, in their eyes, make things worse or will leave them stranded on the way to the vision, i.e. not have what it takes to reach the vision.

Resource the effort. Change takes energy. Energy comes from resources. There are three concepts to keep in mind: agility, initiative, and the culminating point.

Agility is having the ability to react to presented opportunity. For example, if someone offered me a million dollar diamond for \$100 but I only had one dollar, I would lack agility. *Initiative* is creating opportunity. Proper development of resources is key to keeping agility and initiative operating in a healthy way. This means having resources available, either tangibly or as a contingency. So in our example of the diamond, if I had only \$1 but had a line of credit of \$100, I could exhibit agility.

- The *culminating point* was developed by General Carl Von Clausewitz in his seminal work, *On War*. The culminating point is a point in which a resource runs out so forward movement is impossible. Think of a wave hitting a beach. Where it is fully absorbed is it culminating

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point. Phoenix Leaders are aware of which are the critical resources and what they, as the leader, must do to ensure the resources do not hit a culminating point.

Manitain the vision and reinforce. It is important that the Phoenix leader do what is necessary to make the change stick and prevent backsliding. The savvy leader constantly reinforces progress and attainment until it becomes the norm. Keys to this include:

- Reward disciplined action. Reward actions that demonstrate adherence to the vision or that demonstrate its desirability. A key side note to be wary of the trap of rewarding those who pay lip service only, i.e. do not reward sycophants. This may breed disdain and cynicism in observers who know the true motivations. Instead, look for actions that concretely, materially, and substantively cause lasting forward progress.
- Discourage backsliding. Negative reinforcement is not popular but a leader who is trying to emerge from disaster must have the strength to confront behaviors that are distracting or debilitating to achieving the new vision. It can be done very humanely, but it must be done.

- Publicize success. Be sure to describe successes in terms of benefits and advantages accrued.
- Support the weary. Shakespeare said, "Fatigue makes cowards of us all". Ensure people get rested and refreshed. Such caring leadership will pay off in positive attitudes and the needed strength to move "up the hill" to the new vision.

In his book *Good to Great*, Jim Collins describes organizations that pulled themselves from disaster or the brink of disaster. For example, he shares how David Maxwell took over as CEO of Fannie Mae in 1981 and turned that organization from one that was losing \$1 million *daily* to one that earns over \$4 million daily now. One can also see the steps of the phoenix change model in his description of how Walgreen's handled the potential disaster stemming from the threat of on-line pharmacies. ☞

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