

A SIMPLE REMEDY FOR THE DEVASTATIONS OF DOWNSIZING

by Brent Filson

(413)458-4403

brent@actionleadership.com

The economy is in recovery but jobs keep going out the door — nearly three million private sector jobs in two and one-half years, the longest continuous decline in jobs in more than 50 years.

The media has been focusing on the plight of the victims of downsizing. But there is also the plight of the survivors, for the unintended consequences of downsizing can be devastating.

After a downsizing, companies are often left with employees who doubt themselves, who are angry with upper management, who harbor grudges, who may be grieving and depressed, whose loyalty and trust have been shattered, and who are cynical and resistant to change.

Clearly, the leaders directing the downsizing must be competent and knowledgeable and must set out a clear, justifying vision that motivates rather than confuses and angers employees.

But, though such leadership is necessary, its not sufficient to remedy a destructive fall out. The true remedy comes from the most important leadership segment in any organization: small-unit leadership.

Small-unit leadership — leadership of the smallest organized units in an organization — promotes grass-root solutions to the problems of downsizing.

Dwight Eisenhower said, “The generals can move pins on a map, but it’s the front line troops have to get the job done.”

Without good leadership in front line units ?- the squad leaders and platoon commanders or their business counterparts, the supervisors and first-level managers ?- organizations stumble, no matter how skillfully the pins are moved on the map.

It’s the small-unit leaders who get things done and so can diminish the necessity for a downsizing – or, once it takes place, counteract the unintended consequences.

Look at it this way: Business success rests on a tripod: one leg, strategy; the other leg, resources; the third leg, execution. Small-unit leadership comprises the execution leg; and the execution, getting the job done, that makes or break a downsizing.

Here are three focal points to promote small-unit leadership — before, during and after downsizing — so that its fall out doesn’t bring the organizational roof down.

1. Expectations:

One of the most powerful leadership tools is free — yet few organizations use it fully. It's *expectations*. Small- unit leader performance is a mirror of executive expectations.

Executives (and middle managers as well) must not only have high expectations for small-unit leadership performance, but they must make those expectations a personal passion.

But many leaders misunderstand what expectations are all about. They see expectations as a mandate. Like Fred Astaire said to a new, rather nervous dance partner, “Just relax. But don’t make

any mistakes!” Expectations are not a mandate. They are not what you impose on others. Expectations are a relationship. They’re a process.

After all, leadership isn’t about having small-unit leaders do what they want to do. If they did want they wanted to do, senior leaders wouldn’t be needed. Leadership, on the other hand, is about having people do what they don’t want to do and be totally committed to doing it. And that means living up to expectations that may be higher than what they would set for themselves. Leaders are not leading well unless they are leading others to be better than they thought they could be.

A retail executive told me, “When I first joined the company, I had a boss that set unbelievably high expectations, much higher than I would have ever set for myself. But in doing so, he said something I’ll never forget. He said, “I know you can do the job even though you may think you can’t. I’m going to be here for you to make sure you don’t fail.”

Here are some things leaders can do to follow through on high expectations:

When people are promoted to small-unit leader positions, special efforts should be made to recognize and challenge them. Senior leaders should visit their work sites. Congratulate their supervisors for selecting the new leaders. Talk with the leaders themselves. Congratulate them and rouse them to be great leaders. If you can't personally see them, write them notes of congratulations and challenge.

High expectations must not stop with the leaders who have them. Those leaders should also transfer their high expectations to others. They should challenge other leaders to have passionate expectations that match theirs.

The should summon those leaders to invigorate the small unit leadership in their areas of responsibility. Start every meeting with leadership reports. Require leaders to report on precise ways in which they are challenging their small unit leaders to lead others to get results. Insist that their leaders take the same initiatives with *their* leaders.

2. Action:

Expectations alone are not enough to advance high performance small-unit leadership. Those leaders must take action to get results. The most effective action small-unit leaders can take for results is related not to “doing” but “leading.”

Recognize the difference between *doing* and *leading*. That difference divides getting average results from great results. Generally, when leaders are *doing*, they are being prodded to take action. They obey an order to go from point A to point B then wait at point B for the next order. When they are *leading*, however, they are taking initiative to lead others to go from A to B— and beyond.

Challenge leaders to take action from common leadership principles and processes. Those principles and processes must be simple, clear, and results-oriented. They should be briefly and clearly spelled out in writing and be embedded in performance evaluations.

For instance, encourage small-unit leaders to act on their leadership convictions. If a CEO gives a poor leadership talk to a small-unit team, the leader of that team should be obligated to critique the CEO on why the talk failed to meet the organization's leadership requirements.

3. Results:

Action is not an end but the means to the end. The end of all action in business is results.

Small-unit leaders, their supervisors and *their* supervisors, must be held accountable for their unit's results. Accountability is consummate leadership development.

If a small unit leader is not getting results, challenge that leader's supervisor to issue a 90-Day Improvement Plan. That Plan consists of two pages, the first describing exactly the improvement by the leader within 90-Days and the second page detailing the precise methods to improve. The leader does not have to change the world in 90-days. The improvements can be incremental, for the purpose of the Improvement Plan is not just have the leader improve performance but to acquire results-focused expectations. Still, the leader receiving the Plan and the supervisor issuing it must be accountable for the improvements and must clearly understand the consequences for failing to achieve them.

Results-oriented small-unit leaders don't just happen on the scene. They must be cultivated. Time and again, in company after company, I have seen technologists promoted off the line to be supervisors, salespeople made first-level managers — and not helped, substantively and comprehensively, to be effective leaders. They are not shown a vision of results-focused leadership. They are not educated in useful leadership strategies and processes. They are not given substantial leadership resources.

Leadership monitoring systems should be instituted, in which supervisors and first line managers periodically identify potential small-unit leaders and provide them with leadership tools, training, and resources. Ensure that leadership training has precisely measured outcomes and significant R.O.I.. Training that doesn't lead directly to small- unit leaders getting increases in their measured results should be scrapped.

For instance, at the end of every leadership training session, participants write individual "value recognized" letters in which they describe the increases in the results that they intend to achieve on the job using what they have learned in the session. They send copies of the letter to their supervisor and their supervisor's supervisor. In the following months, the participants and their supervisors should be held accountable for those results.

The company's strategies, processes, and resource-allocations should be linked to the effectiveness of small-unit leaders. Comprehensive systems of support should be developed and maintained so that those leaders can continually improve their skills.

The company that wants to avoid the pitfalls of downsizing should build a leadership culture that celebrates and rewards the small-unit leadership — and communicates the successes of such leadership to employees, customers and shareholders, who crave to know that the company has strong, top-to-bottom leadership.

Downsizing is a legitimate business tool. When it works, it can lead to cost savings, increased productivity and higher profits. When it doesn't work (and it doesn't work in some 68 percent of the cases according to a study conducted at the University of North Florida), it can leave the company foundering. The difference between a downsizing's failure or success is not just what upper management plans but what the small-unit leaders do.

Brent Filson is founder and president of The Filson Leadership Group, Inc. His latest leadership book is [The Leadership Talk: Motivating People To Achieve More Results Faster, Continually](http://www.actionleadership.com).