

# Executive Leadership

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## Team-Building

### Taking the Marshmallow Challenge

With 18 minutes, 20 sticks of spaghetti, a yard of tape, a yard of string and one marshmallow, Tom Wujec believes he can tell you how innovative any team is.

*Here's how:* After giving a four-member team the list of supplies mentioned above, Wujec asks them to build the tallest free-standing structure they can. The only rule: The marshmallow needs to be on top.

"I believe the Marshmallow Challenge is among the fastest and most powerful techniques for improving a team's capacity to generate fresh ideas, build rapport and incorporate prototyping—all of which lie at the heart of effective innovation," says Wujec, who is a Fellow at Autodesk,

the leading 2D and 3D technology firm.

He has used the exercise with CEOs, business-school students and kindergartners. And he has learned some surprising lessons about the nature of collaboration. Among them:

✓ **"Ta-da!" can quickly turn to "Uh-oh."** Most people begin by orienting themselves to the task, he says. They talk about what their structure will look like, sketch it out and jockey for a leadership position in the group.

Wujec says, "They spend most of their time assembling the structure, then just as they're running out of time, they gingerly put a marshmallow on

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### MCI founder wouldn't take 'No'

John Goeken didn't earn the name "Jack the Giant Killer" for nothing.

The guy who broke AT&T's grip on the telephone industry also pioneered in-flight phones.

The Midwesterner had a passion to make communication possible anywhere. If people told him he couldn't do something, he'd do it just to prove that he could.

And boy, did he do it:

**1. Goeken started out selling two-way radios to truckers.** He reckoned that he could sell more radios if he provided uninterrupted contact, so he built microwave towers.

AT&T petitioned the FCC to stop his fledgling network, Microwave Communications Inc., or MCI. Goeken fought back and won.

**2. He founded Airfone for in-flight calls,** despite naysayers who insisted that executives "would not want to make calls from the air."

**3. He built the FTD Mercury network to wire flower orders** around the world. And he was working on energy-efficient lighting systems when he died in September.

—Adapted from "John Goeken dies at 80; founder of MCI," *Los Angeles Times*.

## Leadership Lessons

### A leadership lesson, set to Mendelssohn

When Maestro Wolfgang Heinzl stands before the Merck Orchestra, he may look like an authoritarian leader, commanding musicians from his podium.

But Heinzl doesn't actually know how to play the instruments himself—"in the same way a leader in an organization can't do everyone's job," says Jon Chilingierian, adjunct professor of organizational behavior at INSEAD.

"But somehow he has to develop a sense of cooperation, of commitment, and develop a collaborative organization."

You can learn everything you need to know about leadership by watching

a maestro lead his orchestra through a new piece of music.

What maestros—and good leaders—understand:

✓ **Delegating (well) breeds success.** When the orchestra had trouble with a particular passage in a new piece of music by Mendelssohn, Maestro Heinzl asked the other musicians to watch the "principal" violinist and his bow. In other words, he delegated to a top performer. Chilingierian calls such principal players the conductor's executive team.

"Better to give the responsibility to him, and then for me it's much

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## Challenge (Cont. from page 1)

top. They stand back and admire their work—“Ta-da!””

Then the entire structure collapses under the weight of the marshmallow.

✓ **Rapid prototyping is the name of the game.** Recent graduates of kindergarten tend to perform best in the Marshmallow Challenge. They produce the tallest and most interesting structures.

Why? No one spends any time trying to be CEO of Spaghetti Inc.

Kindergartners, unlike other groups, start with the idea of the marshmallow and work backward, building multiple prototypes along the way. Kids get instant feedback with each version about what works and what doesn't—in other words, they use an iterative process—so they don't end up with a collapsed structure at the last moment.

✓ **CEOs perform best with an executive admin on the team.** Why? Admins facilitate and manage the process. Facilitation skills plus specialized skills equals success.

Ultimately, says Wujec, the Marshmallow Challenge helps people find hidden assumptions, build a common language and learn how to manage the marshmallow.

— Adapted from MarshmallowChallenge.com.

## Maestro (Cont. from page 1)

easier,” says Heinzl.

✓ **Every individual needs to be seen as a contributor.** Says Heinzl: “I swear to you that every artist, I think everybody in the world, wants to express what he has inside. And now it's up to me to take these energies and bring them all together.”

✓ **Coaxing the best from a team requires adapting your style.** The maestro tries being directive, then guiding, then persuading and finally turns the responsibility over to the musicians to play the piece as a single voice. “It's empowerment,” says Chilingerian.

— Adapted from “Merck Orchestra: using Mendelssohn to teach leadership,” David Turecamo, INSEAD Knowledge.

## CEO puts employee engagement first

When Vineet Nayar became president of HCL Technologies in 2005, the company's growth had slowed. As the board asked Nayar to step into a leadership role, it made it clear: The time had come for something radical.

Not long after that, Nayar had a course-changing conversation with a customer who canceled his contract. “It was a defining moment,” Nayar says. The customer said, “Vineet, your employees did nothing wrong as individuals. But your organization did not support them.”

That inspired Nayar to coin the company's new policy: “Employees first, customers second.”

These days, Nayar is that rare breed of leader who actually puts employee engagement first, openly sharing information with his team. Why does he do it?

**1. Being transparent with employees allows for change.** To develop employees, the company began using 360-degree appraisal technique, “but not the way it is typically used,” he says.

The 360-degree process allows any-

one to give feedback to anyone, including to the CEO himself. Results are posted internally for all to see. “We find that this practice is motivating people to change their behavior. They try harder,” Nayar says.

**2. It turns fence sitters into transformers.** “In any transformation journey, you have to first convince the transformers to follow you and ignore the lost souls. Then you have to get more fence sitters to become transformers,” he says.

One way to do that is by sharing the financials with employees, so they can determine whether they're contributing to growth.

Sharing financial-performance data accomplished two important things: Employees asked more questions and volunteered more ideas. And people started to make better decisions.

*The outcome:* Over five years, Nayar (as president then CEO) helped HCL's revenue grow from \$700 million to roughly \$2.6 billion.

— Adapted from “The Thought Leader Interview: Vineet Nayar,” Art Kleiner and Vikas Sehgal, strategy+business.

## Emotional Intelligence

### Wrangling your inner elephant

The metaphor about the rider and the elephant goes like this: Perched atop a lumbering elephant, the tiny rider only has precarious control. As soon as the elephant and rider disagree about which direction to go, the rider will lose.

Now imagine the rider as your voice of reason, and the elephant as the impulses and emotions that threaten to overtake you.

Here's one way to help your inner executive wrangle your inner elephant: Stay alert for the elephant's tendency to distort reality.

“It's one of the reasons we are so surprised when someone disagrees with us,” says Richard Daft, author of *The Executive and the Elephant*. Our

internal elephant is extremely judgmental, about ourselves and others.

“It is hard to be optimistic and motivate people when your mind is critical of them,” Daft says.

Not only does the judgmental inner elephant make it hard to see the best in others, it can also become an executive's own worst self-critic.

“The automatic voice of blame and criticism inside your head ... points out how inadequate you are,” the author says. “Can you be an effective leader when your mind is constantly finding fault with you?”

**Bottom line:** Get to know your inner elephant. Slow down, reflect, harness its strength.

— Adapted from *The Executive and the Elephant*, Richard Daft.



## How teaching prepped this software CEO

Joe Colopy tells his secrets to keeping employees informed.

As CEO of one of the fastest growing private companies, Bronto Software's Joe Colopy says, "It's hard to understand what it means to be a leader until you're in a situation where it really matters."

For Colopy, whose company has grown 200% the past three years, the journey from entrepreneur to CEO of an 80-employee company has meant completely changing his game.

Among other things, he says, he's had to sharpen his skills when it comes to articulating top-level messages.

**EL: How often do you get in front of your employees to communicate?**

**Colopy:** I might have the same conversation 10 times a day, but with different people at different levels. It's easy to assume, "Oh, everyone's already heard this, so I don't need to say it again." But it never ceases to surprise me how I need to overcommunicate the same story again and again, to tell everyone to pull their oars in the same direction, and let them know that what they're doing matters, in terms of what we're trying to accomplish.

**EL: What cues let you know it's time for a CEO message?**

**Colopy:** I've definitely had "aha moments" when I hear people's questions or I hear about a decision they've made, and I think, "Why would you do that? That makes no sense." Then I realize, they're not on the highway. I don't blame them. It's just a sign that I haven't done a good job of articulating the message, or haven't communicated frequently

enough. If I do a good job, I won't have to address specific cases like that, because these are smart people.

**EL: What sort of communication tools do you lean on?**

**Colopy:** One thing I've found valuable is posting videos of my past presentations on an internal instrument called Brontopedia, and using them as part of the formal orientation process. It's a very scalable way to get in front of every new employee for a couple of hours.

The videos are a mechanism for communicating exactly what we're doing and getting everyone on the same page. And it's very valuable to have that come directly from me. Otherwise, it's kind of like a game of Telephone, where you lose data every time a message passes through someone's filter.

**EL: Why is this part of the job so hard for so many CEOs?**

**Colopy:** The hard part is taking a complex idea and breaking it down until it's so simple that anyone can get it. I spend a lot of time boiling down concepts.

Before I started the company, I was a teacher for several years. I taught overseas, where English wasn't the first language of my students. When you're a teacher, you can tell when your students aren't paying attention—and, unlike being a leader, you're not even paying them to pay attention. So you have to be very good at being clear and straightforward and engaging. And that's exactly the same skill set you need to be a leader who communicates well.

Doing that every day for years was the best training I could have had.

*I might have the same conversation 10 times a day, but with different people at different levels.*

## Battalion chief has fire in the belly

At age 32, Marcel Melanson of the Compton Fire Department in California is one of the youngest battalion chiefs in America, yet he conveys a mature vision: to improve public safety nationwide.

Melanson has used his platform on the reality show *First In* to engage corporate partners, including Cisco, which is building a wireless network in Compton linked to a citywide camera system.

"Imagine an earthquake," Melanson says. "We could get a virtual look at the entire city and understand where damage is worst before putting boots on the ground."

The battalion chief also made sure every firefighter has a two-way radio.

"It was insulting," he says. "Most fifth-graders have cells. But you have a firefighter on the ground and we can't communicate."

**The lesson:** If Melanson can find a way to obtain gear for his small, cash-strapped department, anyone can.

— Adapted from "Most Creative People 2010: Marcel Melanson," Stephanie Schomer, *Fast Company*.

## Good news for optimists

Some findings about folks who look on the sunny side:

- They're less susceptible to heart disease.
- Their blood pressure is typically five points lower than other people's.
- They live, on average, more than nine years longer than the rest of us.

More reasons to be an optimist:

**1.** Among people with similar medical conditions, those who *feel* healthier live longer.

**2.** Optimism is an action, not a state of mind. You can probably guess that optimists move around more, eat better and smoke less.

**3.** Happiness comes and goes, but optimism means steadily working toward a better future.

— Adapted from "Why It's Smart to Be Optimistic," Meryl Davids Landau, *Reader's Digest*.

## Are you 'clutch' or 'choke'?

Two business books explore how good you are when the heat is on or why you may crack under pressure.

*Clutch*, by Paul Sullivan and published by Portfolio, examines what makes a leader perform well under stress. It's not luck, but "the ability to do what you can do normally under immense pressure."

The five key traits of clutch performers are: focus, discipline, adaptability, presence and desire to win.

*Choke*, by University of Chicago psychologist Sian Beilock and published by Free Press, takes a look at the losers. Choking is not bad luck but an uncharacteristically lame response to enormous stress.

Beilock offers tips to keeping your cool, including practicing under pressure and "pausing the choke" by taking a minute to shake it off.

— Adapted from "Business Books," Andrea Sachs, *Time*.

## Learning the business from the ground up

Turnaround specialist Thierry Breton had just taken over as CEO of Thomson Multimedia, a French government-owned home electronics company on the verge of collapse.

So, what was the first thing he did?

Instead of relying on managers to educate him, Breton spent several days working undercover at Darty, a Paris-based electronics outlet where he learned firsthand what customers thought of Thomson's TVs and VCRs.

With that knowledge, Breton moved Thomson's business away from low-margin home electronics and into higher-end products, including interactive TV and digital film editing.

By 1999, the firm was turning a \$230 million profit on sales of \$6.5 billion. By the time Breton left in 2002, revenues had increased by more than 80% and Thomson was outperforming Sony, Matsushita and Philips.

— Adapted from Thierry Breton, *Encyclopedia of Business*, [www.referenceforbusiness.com](http://www.referenceforbusiness.com).

## A new year, a new leader

With the start of a new year comes a sense of renewal, self-reflection and resolve. What will you commit to in 2011? Four resolutions to consider:

**1. Spend more time with important people—customers.** A little knowledge can help you address their needs and pain points. Are they using your product or service in unexpected ways? Find out. Shadow customers to gain insight.

*Example:* Kroger CEO David Dillon does shopalongs with customers in mid-America grocery stores to see the aisles through their eyes and more deeply understand consumer behavior.

**2. Bulk up innovation efforts.** During the recession, many leaders have been in "lean" mode. But don't forget to fill your pipeline. Use ideation techniques to look at current products and services from different perspectives.

*Example:* At Walt Disney Co., CEO Robert Iger and his team of Imagineers

spent the economic downturn re-imagining Disney California Adventure, Disneyland's neighbor. He decided to spend \$1 billion overhauling it, counting on the weak economy to keep costs low.

**3. Quit drinking the company Kool-Aid.** Break free of industry constraints and question the norm.

*Example:* Commerce Bank (now TD Bank) broke industry conventions by staying open seven days a week, extending its hours into the evening and removing the barrier between customers and tellers.

**4. Learn something new.** Consider studying the history of your industry or examining industries related to yours. Sometimes, the best ideas come from improving what's been done in the past or taking something from somewhere else and applying it to your own space.

— Adapted from "Innovation Resolutions," Futurethink.

## You're plenty innovative. Now go to work

Scott Berkun, whose book several years ago challenged the assumption that innovation and greatness are linked, is back at it.

A new paperback edition of *The Myths of Innovation* still warns that novelty for the sake of novelty is overrated.

Usually, "innovation" is a distraction from the task at hand, Berkun says.

He warns leaders to use the word as little as possible.

"Many great ideas and breakthroughs were achieved without people worrying if they were innovative enough," he says. "They simply chose to try to solve a problem they or their customers cared about. And then later on, after the hard work was done, they were called 'innovators.' It's a good word to let other people say about you, rather than use it in reference to yourself."

Berkun points out that everybody

finds silver bullets alluring—the notion of fast, easy answers to problems.

"They're fantasies, and fantasies are way more fun than hard work," he says. "We also like heroes, as worshipping is easier than working."

The key to innovation, and the core of his book, is showing exactly how some of our most innovative heroes achieved great things. People like Tesla, DaVinci, Edison and Jobs.

Yes, they had good ideas. And they worked their tails off.

"If you are alive, have a job and can drive yourself to work, you have creative ability," Berkun says, suggesting this easy test: "If I locked you, or anyone you know, in a closet, after an hour you'd be plenty innovative. You'd experiment and try things to escape. The tools are all there in our minds."

— Adapted from "Assumptions About Innovation And Greatness," Mac Slocum, *Forbes.com*.

# Flying ace's genius matched his bravado

Alexander Prokovief de Seversky began his life's work in 1904 at age 10, when he was enrolled in military school. His father taught him to fly.

By the time he entered Russia's naval academy, Seversky already knew aviation. He became a naval combat pilot in 1915. On his first sortie, German gunners shot him down, and his own bombs' explosions cost him a leg.

But as sometimes happens in cases of adversity, Seversky turned his misfortune into advantage. Trying to prove he could still fly, he took up a plane without permission at an air show, getting himself arrested.

His stunt, however, had the desired effect: The czar decided that Russia needed more heroes and let him go.

Seversky returned to combat and by many accounts became Russia's top ace in World War I, with 57 missions and 13 German planes shot down. One legend has him bombing a German airfield, then attacking seven enemy planes in the air, shooting down three.

But beyond being a hotdog and a

hero, Seversky was a visionary.

After the war, he started working with another Russian aviator, Igor Sikorsky, helping develop and test aircraft for Sikorsky's company. There, he developed a better bombsight, the first flight instruments using gyroscopes (so pilots can fly blind) and the first retractable landing gear for fighters. He also set speed records.

Sent to the United States by the new Bolshevik government, Seversky decided to stay. Here, the Russian aristocrat won 360 U.S. patents and learned that in America, what you do is more important than who you are.

His bluntness infuriated many leaders during World War II, but substance mattered more than style. He long advocated bombing Japan instead of pursuing a bloody island-by-island strategy. He also helped conceive the Strategic Air Command.

**Bottom line:** Shrinking violets don't make it into the Aviation Hall of Fame.

— Adapted from "Seversky Kept His Sights High," Peter Benesh, *Investor's Business Daily*.

## Team-Building

# Help them get comfortable with risk

Encourage your people to take risks? The very idea is enough to make many CEOs shudder.

Because you shoulder the responsibility of keeping performance high for the entire organization, sometimes you may be risk averse. Even acknowledging the existence of risk requires you to admit that you don't have all the answers. That doesn't sit well with the image of you as a fearless, confident leader.

Doug Stern, CEO of United Media, follows an explicit process anytime he faces a new, risky project, such as selling some of his company's assets. He uses the same tactics to help his team evaluate risks and build its confidence about confronting the unknown:

**1. He asks the team to imagine every bad scenario,** even the most

unlikely—what he calls the "darkest nightmares."

**2. He gives everyone a chance to describe those scenarios** in detail and then to "peer into the darkness" together.

**3. The team collectively devises a detailed plan** in response to each nightmare.

**4. After fears are exposed and dealt with,** the team has a protocol in place for every "nightmare" scenario.

**Bottom line:** CEOs who hone their skills at engaging with risk—who learn to acknowledge the fear and overcome that emotion—can also help others summon their courage and unleash tremendous potential.

— Adapted from "How centered leaders achieve extraordinary results," Joanna Barsh, Josephine Mogelof and Caroline Webb, *McKinsey Quarterly*.

## Best of the leadership blogs

### Seth Godin: Can't please all

When Apple changes a policy and offers a fantastic new benefit to its fans, 2% of them either won't be able to use it or won't like it. Those 2% let Apple know it by bad-mouthing or writing angry letters.

Do the math. Every time Apple delights 10,000 people, it hears from 200 angry customers.

No matter what you do, you'll annoy or disappoint some of your customers. And you'll probably hear a lot more from the unhappy 2% than from the delighted 98%.

You have two options, Seth Godin writes on his blog: Stop innovating; stagnate. Or go ahead and delight the vast majority. "If you try to delight everyone, all the time, you'll just make yourself crazy. Or become boring," he says.

### Tom Peters: Squint test

Tom Peters scoffs at workplace quotas. "But I do believe if you're serving a [particular] market, the only way to develop, distribute and market products, is to have people who have walked, talked and lived it," he says on his blog.

*His message:* Don't count or calculate. But do look at the makeup of your executive team. And squint.

"I want the makeup of that team to be consistent roughly with the market served. ... If it's way, way off—as in, it's all men dealing with a marketplace where 80% of the purchases are by women—it's not just that something's wrong. Something is very wrong, very counter-productive and very stupid."

### 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."

## Mathew Brady picture of failure?

Much of what we know about the American Civil War comes from the photographs of Mathew Brady, who together with his employees took thousands of photos of Union and Confederate soldiers alive and dead.

Brady is credited with inventing photojournalism, once coming so close to the action in the First Battle of Bull Run that he was almost captured by Confederate troops.

His photographs of President Abraham Lincoln and Gens. Ulysses S. Grant and Robert E. Lee, among many others, live on in Ken Burns' television series "The Civil War."

Yet, Brady died almost penniless.

Why? He invested heavily in his notion that the U.S. government would buy his Civil War photos, sinking more than \$100,000 into the venture. When the government declined, he sank further into debt, began drinking heavily and died a poor man.

**The lesson:** Breakthrough performance doesn't always lead to success. Get it in writing.

— Adapted from *Mathew Brady and the Image of History*, Mary Panzer, Smithsonian Books.

## Risk-taking leads to big Patriot wins

Robert Kraft, owner of the New England Patriots, has spent 16 years turning one of the sorriest NFL franchises into one of the most feared and admired. Along with head coach Bill Belichick, he and the Patriots have won three Super Bowls and more games in the past 10 years than any other NFL team in any decade.

It's quite a winning streak. But that's only half the story. In his pursuit of the team and the stadium, Kraft revealed how gifted he is at risk-taking.

It all began in the late '70s, when he began his pursuit of the Patriots. What happened next is a lesson in how leaders use both smarts and gut feelings to make decisions.

In 1985, Kraft bought an option on 300 acres of land surrounding Sullivan Stadium. He paid \$1 million a year for the right to buy the land for \$18 million, giving him a decade to figure out how to buy both the stadium and team.

One year later, the Sullivan family put the Patriots up for sale without the stadium. Kraft passed on the deal. Two years later, the Sullivans went into bankruptcy, and Kraft and a partner bought the stadium for \$25 million.

In 1992, he had another chance to buy the team. But he passed again. Ownership went to James Busch Orthwein, who wanted to either sell the team or move it to St. Louis.

To get out of the stadium lease, Orthwein offered Kraft \$75 million, but Kraft turned him down—and offered to buy the Patriots for \$172 million.

He knew he would need a new stadium in order to build a team of champions. "We could not compete and win in that old stadium," Kraft says. "It was not a family atmosphere."

It was another eight years before Kraft got the stadium he really wanted. (That took another risk—threatening to move the team.)

He took yet another profitable risk in 2000, when he hired Belichick as the Patriots' head coach and de facto general manager, and drafting quarterback Tom Brady in the sixth round that year. Nobody else in the league wanted either.

Why did he pick up Belichick? "My gut," Kraft says without pause. "That's how the best things in my life have happened."

— Adapted from "Football's true Patriot," William D. Cohan, *Fortune*.

### Leadership Lessons

## This geek won't use e-mail

Don Knuth, known as the Father of Computer Science, just completed the fourth volume of his definitive work, *The Art of Computer Programming*, which includes "The Chemical Caper," a short story in which every word is a chemical formula.

Knuth won't admit to writing the bible of the computer world, but he does convey his thoughts on success:

**1. Communicate plainly.** "I try to boil down things that are the most important without dumbing them down."

**2. Don't merely admit to being**

**wrong—pay for it.** Knuth is famous for rewarding people who find errors in his work. Over the years, he has paid out about \$300,000. He offers a hexadecimal dollar—100 in base 16, or \$2.56—for a mistake in his books, and more for bugs in his software. He paid \$3,000 to a German who found lots of errors.

**3. Eliminate distractions.** Knuth stopped using e-mail more than 20 years ago. He says it's partly why he's had time to write 30 books.

— Adapted from "The Father of Geekdom," Dave Wiczorek, *Think*, [www.case.edu](http://www.case.edu).

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## When to 'kick it upstairs'

**Q** "I am about to begin a negotiation whose subject matter is squarely within my area of responsibility. However, the dollar amounts at stake are so large that I'm tempted to kick it upstairs to my boss, or at least involve my boss directly in the negotiation. What are the pros and cons of doing so?"

**A** There are, of course, some times when the boss ought to be brought into a negotiation, but you should consider two important risks before doing so.

**1. Kicking it upstairs clearly signals to the other side that there are limits to your ability or authority to get things done.** Even worse, this move might suggest that you perceive a problem with the relationship across the table at your level and you need "Mom" or "Dad" in the room to get things back on track.

These signals can have negative repercussions down the road. For example, once your counterpart has dealt directly with your boss, he might start bringing your boss in more frequently for future negotiations. This would reduce your credibility and blur previously clear-cut channels of communication. This puts your boss in a difficult position, too: either she accepts the invitation to stay involved or risks insulting a potentially important customer or supplier.

**2. A more subtle problem is that bringing in the boss signals vulnerability in the current negotiation.** The instant the other side sees your boss in the room, he'll say to himself: *This deal must be so important to them that they had to bring in the big guns!* Suddenly the perceived bargaining range has widened, and not in a way that favors you.

As a counterpoint to these concerns, some bosses will push hard to get in on high-stakes negotiations, believing they should be leading the

negotiation team for the company's most important deals. Your challenge is to resist this easy way out. For example, in a recent high-stakes negotiation, the boss, Steve, wanted to come to the table and "finish the job." The team's lead negotiator argued against this idea: "Steve, the moment you walk in the room, the other side adds \$50 million to their aspiration price." After an hour of discussion, Steve agreed to stay away, at least for the next round of negotiating. "This has been a good discussion," he added. "Now I've learned how much I'm worth to our organization!"

Instead of involving your boss directly, use her strategically. For example, when the boss in charge of a particular product visits your region, it makes sense to have her visit your major customers with you. But the goal is to make personal connections at multiple levels between your organizations, not to try to negotiate the terms of a specific deal.

In general, the better approach is to negotiate at your level as much as possible. Keep your boss in the loop and seek her guidance on specific negotiation points. If you reach an impasse, consider threatening to invoke bosses on both sides, rather than just on yours.

If all fails, bring your boss in to help you reach the finish line, but play that card only after you have exhausted all other options.

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*Guhan Subramanian of Harvard Law School and Harvard Business School is Academic Editor of the Negotiation newsletter.*

## Don't treat them like mushrooms

Here's how Cisco CEO John Chambers keeps his people in the loop: through a webcast every few weeks in which he responds directly to employee questions.

He says he wants his team to learn about company news firsthand, not through rumors. A few tips:

- Lay out the company's strategic plan and what it means to each department and employee.
- Share articles you read about your organization, competitors and trends.
- Brief everybody about what's ahead, especially if it affects their careers.
- Nip rumors by sharing news as soon as possible.
- Talk face-to-face if you can.

— Adapted from *The 7 Hidden Reasons Employees Leave*, Leigh Branham with the Saratoga Institute, Amacom.

## Waking up to reality

Harvard business professor Richard Tedlow explains why we get blindsided:

**1. Ignorance.** If you don't reward people for telling the truth, they'll keep you in blissful ignorance.

**2. Denial.** There's a difference between being wrong and being in denial. Everybody's wrong sometime, but not everybody is in denial. Some folks don't want to believe the truth, so they decide not to.

*Example:* Ford Model Ts were for first-time car buyers. As more people owned cars, Chevrolets muscled in. The evidence was right in front of his eyes, but Henry Ford denied it.

**3. Pride.** The American tire industry lost ground to Europe as Americans invented fairy tales instead of fixing problems. U.S. companies actually said that different cars and roads required different tires, and that Europeans minded blowouts more than Americans did.

"If you deny reality," Tedlow says, "you're going to pay the price."

— Adapted from "Nothing To See Here," Matthew Budman, *The Conference Board Review*.

■ **Stay professional at virtual meetings.** It's tempting to drop your guard, and participants have even been caught grooming themselves on camera. The solution? Do nothing else in a virtual meeting except attend the meeting. Also: Use the mute button, shorten presentations and use prompts like "Excuse me" or "Question."

— Adapted from "Staying Professional In Virtual Meetings," Eilene Zimmerman, *The New York Times*.

■ **Get free advice** about running a business from Ask.Inc.com, launched last fall by *Inc.* magazine and answer site Mahalo. Recent answers include making a firm more attractive to buyers, dealing with health insurance deductibles, recycling electronics and monitoring telecommuters.

■ **Suggestion for airport security.** Chances are you've been through an airport full-body scanner (aka "the naked machine") a few times now. If not, be prepared to surrender your belt or necklace for a secondary search. The machines are expensive and chew up more business time—another economic win for the terrorists. And couldn't the TSA at least buy us a drink before examining our full anatomy?

— Adapted from "Bull Body Scam?" Eric J. McNulty, Executive Nomad, <http://executivenomad.com>.

■ **Sergey Brin out front.** The Google co-founder, having conquered search, has set his sights and his money on finding a cure for Parkinson's disease. His take on leading: "Obviously I'm somewhat unusual in the resources that I can bring to bear. But all the other things that I do—the lifestyle, the self-education, many people can do that. So I'm not really that unique. I'm just early. It's more that I'm on the leading edge of something."

— Adapted from "Sergey's Search," Thomas Goetz, *Wired*.

#### Random Wisdom

**"Let him who would move the world first move himself."**

— Socrates

## 5 ways to learn from a swarm of bees

We can learn much about decision-making from bees, says Thomas Seeley, a professor of biology at Cornell University and author of *Honeybee Democracy*.

When a honeybee hive becomes overpopulated and its bees need to find a new place to live, a few scouts set out to scour the world beyond the hive. When they return, they perform a waggle dance to indicate the location and quality of the hive.

After that, the hive must make a decision about which new location to choose. About 90% of the time, in Seeley's experiments, the swarm chooses the best option.

What works well for bee swarms can work well for human groups. Five guidelines for helping groups make decisions like bees:

**1. Shine a spotlight on group members' shared interests,** so they work together productively.

"The scout bees know instinctually that their interests are aligned toward choosing the optimal home site, so they work together as a team," Seeley says.

**2. Explore diverse solutions to the problem.** That way, the group is more likely to uncover an excellent option.

When looking for the perfect housing solution, a few hundred scout bees will take off in different directions.

**3. Aggregate the group's knowledge through a frank debate.** Fair and open competition will distinguish good options from bad ones.

"The scout bees rely on a turbulent debate to identify a winner," Seeley says. "Whichever group first attracts sufficient supporters wins."

**4. Minimize the leader's influence on the group's thinking.** Scout bees have no dominating leader, so they can take a broad, deep look at their options.

**5. Share ideas publicly; evaluate them privately.** Scout bees share the news of their finds in front of the hive, but each member makes its own, independent decision.

Bees show us that with the right organization, democratic groups can be remarkably intelligent, even smarter than the smartest individuals in them.

— Adapted from "The Five Habits of Highly Effective Hives," Thomas Seeley, *Harvard Business Review*.

#### Innovative Theories

## The myth of Darwin's 'eureka!' moment

The "eureka!" moment came for Charles Darwin in October 1838, as he was reading something Thomas Malthus had written about population. All of a sudden, the basic algorithm of natural selection popped into his head.

At least, that's how the story goes. In truth, there was no single aha moment.

Several years ago, a scholar named Howard Gruber looked at Darwin's notebooks from this same period. Fortunately for us, Darwin wrote down every little hunch and idea.

In combing Darwin's notebooks, Gruber found that Darwin had the full theory of natural selection for many months before his alleged Malthus-inspired epiphany. His writings revealed that Darwin had a firm grasp of

the concept, but it took a long period of time to become a "great idea."

Call it a slow hunch. That's how great ideas blossom; not as a single moment when someone is alone, hunched over a lab table, peering into a microscope. They incubate over time. They percolate at conference tables during weekly meetings, or when someone shares a story about a mistake, or wherever different ideas are swirling about.

If you're trying to build an organization that's more innovative, design a space that allows people to have repeated, interesting, unpredictable collisions, so slow hunches can be nurtured over time.

— Adapted from "Where good ideas come from," Steven Johnson, TED.com.