What are You Getting Yourself Into?

Transitioning Into a Leadership Role

By Christopher Hitch & Rick Rocchetti

You've just been hired to take on a role in a new organization or a new role in your current organization. You've worked hard to prepare for the change, but you're on a roller coaster of thoughts and emotions—a combination of fear/anxiety and excitement. You're proud of what you've accomplished, yet your pride is tempered by an awareness of the many unknown factors that lie ahead. How do you make the most of this transition so that you, your new team, and your organization can be successful, meet goals in a sustainable way, and accomplish even more in the future?

There are multiple ways to make this transition effective, but our approach here is to systematically analyze the following high-leverage actions:

- View your entry in the larger context of an organization's life cycle,
- Examine the specific type of situation you are entering,
- Look forward to balancing the tensions and polarities, and
- Have a plan.

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How do you view your entrance into that new organization or that new position you're assuming in your existing organization? Are you coming to the new organization or new role as part of a longer-term effort to bring about specific change that's ahead of the S-curve in that organization's life cycle? Or is your appointment an afterthought?

If your appointment is an afterthought, you will not be properly oriented and onboarded. You may arrive not knowing what you need to know and not given the necessary resources you need. How quickly you are able to recognize this situation and get the necessary support will determine your success. You may have to spend more time than desired in addressing foundational issues rather than immediately focusing on the work to be done. If that's the case, ultimately there will be a mismatch between you and the organization.

If your appointment is part of a structured and managed approach, your goal will be to determine how to leverage the infrastructure and resources to make the most of your position. You will learn from your manager and others about whom to talk with and why, how your role in the organization links up with the strategic plan, and how key performance indicators match the strategic goals.

For example, a senior manager entered an organization that was going through major changes and experiencing a good amount of chaos in the process. This manager was good at starting the kind of initiatives that would provide needed structure, but she was not good at building relationships sustaining the changes she had initiated. In essence, she was best suited to a startup situation. The new senior manager's organization failed to provide feedback and did not support her attempts at realigning the organization. The executive lost credibility, strained the loyalty and motivation of her staff, and failed to achieve long-term success. In short, everyone lost out.

Identify the Polarities of the New Situation

As a new leader, you enter an organization within a given, existing context. Usually, that context is rife with tensions, and yet you are expected to perform amid these. When tensions occur between two interdependent values, we call them polarities, or opposite ends of a spectrum. Because they are interdependent, they need each other to exist. It is critical to realize that polarities are not problems. Problems can or need to be solved; for example, a problem is, “Where are we going to locate our next office?” When that decision is made, the problem is solved. A polarity, however, is ongoing; for instance, consider the tension between customization and standardization. Both are appropriate responses in an organization—the issue is how to get the best of both, not the upside of either one.

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Whether we're acting as individuals or as part of an organization, we all tend to pay more attention to one pole than to the other. Four things usually happen: (1) we build on the value we prefer; (2) we allow the opposing value to become a blind spot; (3) we fear the downside of the opposing value; and (4) we end up with the downside of our preferred value. The result overall is less effectiveness—our strength (individually and organizationally) becomes our weakness. The nagging problem with polarities is that most of us don't see them as such. We just keep viewing them from a problem-solving approach.

Effective Polarity Management

So, what skills does a new leader need to be effective at managing the polarities that exist in an organization? A leader must be able to:

- Identify chronic, longstanding issues;
- Use “both/and” thinking in addition to “either/or” thinking;
- Balance the interdependent values;
- See existing polarities on individual, group, and organizational levels;
- Identify the costs existing at each level;
- Recognize the early warning signs of polar neglect or overuse; and
- Identify the actions and strategies that restore balance.

In the example of the senior manager mentioned above, one of the manager's conclusions was that there was too much customization in the organization—that her unit was inefficient. She put great effort into standardizing the unit so as to provide service to the wider organization. The unit's overfocus on individualized service became a weakness that was hindering further growth. The tension between individualized and generalized service was out of balance. It took the unit three years to finally address this polarity.

If you can identify the key polarities in each situation, you will gain clarity and increase your effectiveness sooner.[1]

The STARS Model

In his book The First 90 Days,[2] Michael Watkins describes the predictable life cycle of organizational units. Using what is referred to as the STARS Model, Watkins highlights the typical stages in the evolution of an organization, from startup through turnaround, accelerated growth, realignment, and sustained success. The model is useful as tool for those entering new positions to help assess their new situations. Below, we examine four of the key stages and their characteristic polarities.

1. Start-up

Start-ups occur whenever there is a new product or service launch. It can involve a new product or service brought to the market, opening of a new location or site, or an entirely new element added to the organization. Entrepreneurship, bootstrapping, innovation, and rapid prototyping are the overarching principles in start-ups. You are starting from scratch, working on minimally viable solutions, looking for customers, and eagerly listening to and responding to customers. It's a heady time.

Some of the organizational polarities a new leader in a start-up faces are:

- Speed versus quality
- Flexibility versus structure (might be change versus stability, too)

- Doing versus learning/thinking
- Quick decision making versus thoughtful decision making
- Cost versus quality

2. Turnaround

If your new service or product succeeds, you can move up the curve to accelerated growth (see next stage). But if not, you face a turnaround situation. Watkins notes that the biggest difference between a turnaround and a realignment situation (see later stage) is the level of urgency. There is significantly more urgency to act and do something in a turnaround situation than in a realignment situation. To stop the bleeding, you have to simultaneously determine why the product or service is less or no longer relevant, and you must rally your team toward a new goal. This is the essence of change management.

Several polarities may be at play during a turnaround:

- An overfocus on stability at the expense of change;
- An overfocus on a long-term perspective at the expense of the short term; and
- An overemphasis on "what we've always done" (traditionalist) at the expense of trying something new (pioneer/innovator).

A key polarity may also be whether you are an insider or an outsider. If you are an insider, you have likely been promoted or have come from a successful unit elsewhere in the organization. This gives you both advantages and disadvantages. You already know the organization and its overall strategy. You have a sense of the key team members; at the same time, your team (unconsciously) will likely expect no significant shift in operations and strategy, as you were selected internally.

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If you are an outsider, your team (unconsciously) will anticipate significant changes in operations and strategy. You also have a different set of eyes to diagnose the operation and its alignment with corporate strategy.

3. Accelerated growth

The best possible outcome from the start-up or from an existing product or service is to be flooded with requests for more of that service or growth. Your success starts small, and then grows geometrically. This is the "hockey stick" chart formation that all senior executives, owners, and shareholders salivate over. But you need to acquire more resources, develop ways to expand efficiently and effectively, bring more people on board, install efficient systems for delivery, and look to expand market share.

Polarities at this stage include:

- *Customer care versus employee care*. If you focus too much on taking care of the customer, you risk losing your employees. Currently, health care providers are experiencing this polarity. Up until now, most health care institutions defined these needs as separate problems, not as a polarity, and they have struggled to improve both simultaneously (and not overly successfully).
- *Control versus empowerment*. You want to ensure that systems are in place to maintain quality and sustain the performance metrics that have made the product or service successful, while empowering those closest to the customer to accelerate growth even further.
- *Centralization versus decentralization*. You need to determine which decisions should be made at the organizational level and which at the unit level.
- *Short term versus long term*. Should you focus on growing revenue (top-line growth) with less regard for gross margin (profitability or bottom-line growth)? Should you discount some of your idle assets to generate maximum revenue, or does that set a dangerous precedent for expected future discounts?

4. Realignment versus accelerated growth

You have an existing product or service that's performing well but has hit a plateau of growth and/or profitability. There's something changing in the market, but it's hard to place a finger on it. Current or potential clients may want something different, but they continue to buy from you until you start to see market share, revenue, and or margins erode. You have to take action, but simultaneously you have to assure your team that "everything's going okay—we'll ride this out and come out better."[3]

Some polarities that characterize this stage are:

- Internal versus external focus. There's overfocus on internal value at the exclusion of focus on the external market.
- Current versus future clients and markets and new entrants in the marketplace.

Making a Smooth Transition

As either a new leader or a leader in a new position, you need to consider your predecessor's contribution as part of your initial diagnosis and subsequent approach to change in the organization. Your predecessor may have been promoted, demoted, or dismissed; made a lateral move; or retired. Each of these situations is a factor in your transition to the new leadership role.

If you can, speak with your predecessor to acquire his or her views of the organization, its strengths, challenges, and opportunities, as well as the potential problems. You may not get all of this information, and it may not be equally valid, especially if the individual left on less than glowing terms, but try to gain that person's perspective.

A Guide for New Leaders

At the individual level, the basic polarity you face is: leader of myself versus leader of my organization.4 If you are at a C-level role, it is likely you have focused on the organization at the expense of taking care of yourself. As you move into your new role, it's a great time to consult an executive coach who can assist you in both thinking and leading differently.

At the team level, your leadership goal is to provide guidance to enable your new team to be successful with you. Here are some suggestions that were included in “New CEO, Old Team”5 to help you and your team attain success:

1. *Outline your priorities*. Your unit priorities should cascade from your organizational priorities, your organizational stage, and what your manager has outlined as key outcomes needed from your unit. It does no good to have your team guess what those goals are. It's better to overcommunicate this in your first meeting and then reinforce it frequently. Your key polarity here is honoring the past versus focusing on the future.

2. *Determine your decision-making style preferences*. Do you prefer to have information given to you early in the decision-making process, or do you prefer that your team come to you with a recommendation for implementation (and under what circumstances)? Your key polarity here is centralization versus empowerment. The complicating factor is your comfort level with different types of decisions. For example, ask the team members what the current decision-making model is for various elements (it may be different for handling operating expenses than for capital expenditures). You can then adjust or maintain that framework as needed.

3. *Set your meeting procedures*. Do you prefer oral or written proposals? Do you prefer to have agenda items given to you ahead of time, or do you want them brought up in discussions?

4. *What's your “surprise” tolerance*? What's your threshold for receiving unexpected information? Do you want your team to inform you in advance across all six major categories of business (operations, finances, marketing, external stakeholders, internal team challenges, and signals from the external environment)?

At the organizational level, analyze the relationships needed for you to be successful in your new role. It's an axiom that the higher up you move in an organization, the more cooperation and support you require from those around you, not just above and below. To see this most clearly, create a document with four columns—one column for your direct reports, one for peers with whom you interact or from whom you need support, one for your key clients (internal or external), and one for those above you. Additionally, ask your manager and your direct reports for their suggestions on who else should be in each column. Then use that document to determine the frequency of meetings and discussions.

During those discussions, listen with an eye toward those polarities outlined above, specifically:

- Centralization versus empowerment;
- Speed versus quality;
- Flexibility versus structure (might be change versus stability, too);
- Doing versus learning/thinking;
- Quick versus thoughtful decision making; and
- Cost versus quality.

NOTES:

1. Johnson, B. (1992). Polarity management: Identifying and managing unsolvable problems. Amherst, MA: HRD Press.

2. Watkins, M. (2003). The first 90 days: Critical success strategies for new leaders at all levels. Boston, MA: Harvard Business School Press.

3. The GPS-device market is an example of this. There was rapid growth in the beginning, but producers were unable to see signs of developing technology for smartphone application. The later innovation initiated a downward spiral, resulting in another inflection point turnaround or shutdown/divestiture.

4. Beach, P. G., & Joyce, J. (2009). Escape from flatland: Using polarity management to coach organizational leaders from a higher perspective. International Journal of Coaching in Organizations, 7(2), 64–83.

5. See also Coyne, K. P., Coyne, E. J., & Coyne, S.T. (2008, April/May). New CEO, old team. Chief Executive, 2008, 54–58.

About Forward Momentum, LLC

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Christopher Hitch is a leading edge strategic advisor to organizations on aligning goals, strategy, and human capital for organizational excellence. He has over 25 years of proven leadership and management experience focusing on aligning strategy, leadership, and operations to drive solid business results in multiple industries. He's partnered with with over 6,000 mid-level managers and senior level strategic executives including over 1,900 of the most senior leaders in the federal government. He's helped accelerate high performance with organizations from the defense, federal government, financial services, health care, life sciences, manufacturing, nonprofit, professional service firms, public service, and technology sectors throughout the United States. Chris has held senior positions in startups, new product launches, turnarounds, rapid expansion, acquisition integration, strategic realignments, and divestitures/shut downs in domestic and multinational settings. He currently serves as a Director of Custom Executive Development Programs at the University of North Carolina Kenan-Flagler Business School.