INNOVATORS' GUIDE TO EXTRAORDINARY LEADERSHIP

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Dear innovator:

- Do you wonder why famous innovators seem to win over and over again?
- What are they doing that other visionaries such as yourself are missing?
- Do you wonder why investors pass on you and your ideas even though they are brilliant?
- Do you wonder why your team, if you have one, fails to excite and delight you on a daily basis?
- Do you wonder what does it really take for an innovator's team to win consistently?
- Investors' say "I'd rather invest in an A-team with a B-product than a B-team with an A product" but what is an A-team really all about?

Part 1 – The Secret Ingredient

You may be far too busy with your work and family to pay much attention to sports, and in particular, the selection of coaches by professional sports teams. However, if you're involved in engineering a turn-around, a change – of-direction, a spinoff or some other major initiative, you may want to pay serious attention to what happened recently in professional basketball – the selection of Mike D'Antoni instead of Phil Jackson (pictured above) as new head coach of the once-and-future championship Los Angeles Lakers.

Make no mistake, this was a momentous decision, as the Lakers' owner (Jerry Buss), Executive Vice President (Jim Buss) and General Manager (Mitch Kupchak) were seriously considering the legendary Phil Jackson, who was considering coming out of retirement for this opportunity. Having won 11 NBA (National Basketball Association) championships, the most in NBA history, and doing so with two different franchises, Mr. Jackson is arguably the greatest professional basketball coach of all time. Mr. Jackson was also the fan's choice for this position, so the decision must have been difficult.

What does this have to do with your business decisions in science and technology? Lots.

"After speaking with several excellent and well-respected coaching candidates, Dr. Buss, Jim and I all agreed that Mike was the right person at this time to lead the Lakers forward," Kupchak said. "Knowing his style of play and given the current make-up of our roster, we feel Mike is a great fit, are excited to have him as our next head coach and hope he will help our team reach its full potential."

This press release cannot contain anywhere close to a full explanation for the choice. If drama bores you, you may skip this paragraph, but don't skip it just because sports bore you. Though Mike D'Antoni won NBA coach of the year for the 2004-2005 season for a major turn-around in the success of the Phoenix Suns that year, and is well-respected by Laker stars Steve Nash and Kobe Bryant who like his fast-paced style of play, D'Antoni has never won any NBA championships. The well-known animosity between Phil Jackson and Laker's VP Jim Buss (the owner's son) and the fact that Phil Jackson lives with Mr. Buss's sister Jeannie cannot be left out of the equation. There's also the list of demands that Phil Jackson was rumored to be making in return for the job. There may be all manner of other hidden motives, including the possibility that the Lakers were never serious about re-hiring Mr. Jackson in the first place. It'll make quite a book one day.

Mike D'Antoni, new head coach of the L.A. Lakers

For your business hiring and board formation decisions, this is actually a very valuable story. This is because the hiring decision had little to do with the eligibility of the candidates to coach the L.A. Lakers. Both candidates and others under consideration were eligible for the top "execution master" job on the team. The decision hinged largely on other factors which come under the broad heading of "suitability." This section introduces the concept of "suitability" for your senior team positions and justifies why you must learn to measure it objectively.

I cannot under-estimate the importance of your mastering this subject of "suitability" as you engineer a turn-around, spin-off, expansion or new initiative. If you really learn how to measure "suitability" objectively and apply it to your hiring and board selection decisions, your chances of success are greatly improved.

You already know the weight that investors place on executive team selection and chemistry in determining the odds of business success. Most investors will tell you something like "I'd rather invest in an A team with a B product than a B team with an A product." You've heard this frequently. But how do you use this insight?

The problem is that most founders, CEO's and investors (even the most experienced) don't have an objective method of assessing members of a team and the total team composition. The reason they don't have an objective method is because they know instinctively that the choice of key executive team members is not about measurable eligibility. Eligibility includes factors such as:

- minimum experience,

- education,
- certificates,
- technical skills,
- measurable abilities, and
- measurable aptitudes.

Most investors understand that other factors are equally or more important. This includes:

- behavior preferences
- leadership style
- willingness to be coached
- character
- values
- attitudes
- motivations, and
- fit with the existing culture

We call these types of factors above "suitability."

Some factors such as experience and track record can contribute to both eligibility and suitability. In any case, eligibility factors are clearly measurable and the tools for measurement are easily applied. The same is not true for the suitability factors.

Are there any readers who do not agree that executive hiring and selection of board members should include the suitability factors listed earlier? I don't see any hands.

How many of you don't pay as much deliberate attention to these kinds of factors as you would like? Ah, now I see a lot of hands. I believe the reason you don't pay as much attention to these factors as you would like is because you don't know how to measure them or to use the results of a measurement tool if you did. Why pay attention to factors you don't know how to measure or use?

So how the heck do you measure "suitability"? i.e. how do you measure intangible attributes in a human being in a way that is appropriate to a board room not a psychiatrist's couch. In my experience, few professional investors know how to do this. They rely instead on their gut instincts. This applies both to their selection of companies to invest in, and their advice on who to hire or add to the board, or board of advisors.

Likewise, in my experience, few HR managers and executive search firms know how to do this. Yet having an objective way of assessing suitability is in my opinion essential to the success of the investment, executive hiring, or board member decision.

Equally important to assessing suitability in a candidate for a position is to profile the position as to what attributes are suitable for it. This process is fraught with difficulty:

- First, you have the obvious problem of identifying the attributes that are important for a certain key position.
- Second, you have the more difficult job of weighting the relative importance of these

attributes. When choosing a COO or evaluating an existing one), what's more important: individual initiative or ability to work with others on a team? What's more important, the ability to create a top-down go-to-market strategy or the ability to lead the execution of the strategy?

- Third, you have the job of determining what types of leadership skills are missing on the existing team and therefore need to be supplemented. This involves not only understanding the needs of the vacant position, but understanding the needs of the executive team as a whole. This entails assessing the current members of that team and knowing overall what personality attributes a business leadership team must have in order to win.

This is beginning to seem daunting.

I've not yet made an adequate case for why objectively measuring suitability for an executive position or board position is so important that it would be worth the daunting effort described above. So here goes.

Most important, objectively measuring suitability makes the job of using these attributes far less daunting. Other key reasons that you should learn to objectively measure suitable include:

- It eliminates legal risks and complaints of discrimination or systematic bias.
- It avoids missing highly suitable candidates who fall below the eligibility threshold in certain desirable skills.
- An objective measurement system for suitability will reveal success factors that you may otherwise forget to include or don't know about.
- Measuring suitability objectively avoids interviewer-bias.
- Measuring suitability objectively avoids other natural biases such as likeability, physical attractiveness and other physical attributes.
- It allows you to apply behavioral research on success factors for specific types of job positions.
- Without an objective system, there are too many factors to keep in mind informally, even if the interviewers are keeping careful notes.
- Most traits are very hard to detect and can be easily hidden by candidates.
- A system for detecting deception, even if not conscious, is essential in the real world.
- The process of scoring suitability factors is far too time consuming and complex to do without an automate solution, which would be based on an objective system of assessment.

- It avoids wasting time interviewing candidates who are eligible but not suitable, who would be screened out early by an objective system of measuring basic suitability.
- An objective system of measuring suitability could be used to help interviewers construct appropriate interview questions.

The legal reason is good enough for me. In any case, the argument in favor of an objective measurement of suitability is impressive. Do you agree?

For investment decisions, all of these factors are multiplied by the number of key members of the executive team, board and board of advisors. Likewise, when engineering a turn-around spin-off, merger, or major initiative of any type, the leadership team should be assembled with consideration of all the factors that come under the heading "suitability." It can get complex, but how else do you avoid the horrendously high failure rate of new initiatives?

In a coming post, I'll dive into the technology of how to objectively measure and use the measurement of suitability in practice.

For now, I'm still hoping the Lakers win this season even without Phil Jackson, especially if Phil is picked up as head coach of the Clippers. But then, I'm a die-hard Lakers fan so what else would I say? See you next post.

Measuring Suitability

How many times have you hired, been hired by, or worked side-by-side with someone who was qualified on paper for their position, but who just couldn't carry it off competently, let alone triumphantly. You can't afford to make this kind of mistake when building a new team, or attempting a turn-arond, spin-off, pivot (change of business model) or any major initiative. The promotion and then sacking in 2011 of CEO Jeff Kindler at Pfizer exemplifies this kind of mistake. This post explores further how to avoid making this kind of potentially disastrous mistake.

The full story of Jeff Kindler's decline and fall Pfizer can be found at http://features.blogs.fortune.cnn.com/2011/07/28/pfizer-jeff-kindler-shakeup/ . To briefly quote from this fascinating study, Pfizer's "managers descended into behavior that would do Shakespeare -- or Machiavelli -- proud. There was the ex-CEO who couldn't relinquish his power and quietly maneuvered to undercut two successors he had helped install. Then there was the human resources chief who divided the staff rather than uniting it. Most of all, there was Kindler himself, a bright man with some fresh ideas for reforming Pfizer but a person who agonized over decisions even as he secondguessed everybody else's actions. The story of Jeff Kindler's tumultuous tenure at Pfizer is a saga of ambition, intrigue, backstabbing, and betrayal -- all of it exacerbated by a board that allowed the problems to fester for years."

"The full story of Kindler's downfall has never before been told. *Fortune* reported this article for four months, interviewing 102 people, including executives and directors who worked closely with him at Pfizer and at previous stages of his career."

I was fascinated by this story because this kind mistake (promoting a micro-manager and control-freak to the CEO position of a science-based organization) is avoidable. Now in the case of Pfizer, the problem was bigger than a single job. It had a lot to do with 1) board inattention, 2) dysfunctional corporate culture, 3) the short-term profit focus of the stock market. In *your* search for your next leader, whether CEO, COO, division head, spin-off head, etc., you can be much more deliberate. Hiring someone like Kindler for these positions would be inexcusable now that you know you can do better.

One way to do better is to pay attention to "suitability" for a positon, not just "eligibility." You may recall from my last post the difference between "eligibility" (for a position on your team) and "suitability." A simple way to remember the difference is that eligibility states to what degree a candidate *can* perform. "Suitability" predicts whether that candidate *will* perform.

To use suitability measurements in hiring or filling a board seat you must:

1. determine what you need in terms of work style and leadership style (profile the position);
2. measure the candidates; and,
3. score the candidates vis a vis what you need.

Those that do this well do it scientifically, and accept the result unemotionally. Politics plays only a small part in the hiring or promotion decision. In order to do it scientifically, you have to employ processes and tools that produce predictable results. That's what the rest of this post is about.

Determining what you need (for a leadership position) has three components: Deteriming

1) what the job type (marketing, operations, research, IT) requires generally;
2) what you're missing on your team in terms of leadership types; and,
3) what you must have on your team in terms of cultural and values match.

In order to answer 1, use a tool like the Harrison Assessment, which profiles every job position you can imagine. If it's a board position you're filling, imagine that the person is going to be mentoring the executive in a certain area, say marketing or technology, and use the profile for the most senior executive in that area.

This is a non-trivial analysis. More on this later.

To answer 2), you have to use a work-style assessment tool to assess every existing member of your leadershp team. Harrison Assessment again can be used (www.accountabilitypays.com/harrison-assessment/), or a work style assessment from Kolbe (www.kolbe.com).

To answer 3) learn how to describe your corporate culture in terms of values. Corporate culture is not about whether there is casual Friday or a ping pong table in the lunch room. If you think all good corporations have the same values, think again. In a later post, I'll help you analyze your corporate culture. For now, take the time to write down what your company emphasizes in dealing with customers and making major decisions. This should be at least five to ten values, each one on a relative scale. Don't leave anything to chance here, so that you end up with a team member that you consciously determine is a good fit.

Going back to task 1 above, I'll quote from a white paper published by Harrisman Assessments on the topic of profiling a job position: "The first challenge is to determine which suitability factors relate to job success for a particular job. However, even when that is determined, to accurately assess job suitability you also need to formulate how different levels of each suitability factor will impact job success. ... For example, if the person scores a 5 out of 10 on self motivation, you need a means to designate how that will impact overall job success for the specific job. For some jobs, the more self-motivation the person has the better. However, for other jobs, a moderate level is enough and high levels do not relate to increased performance. Each level of each factor needs to be scored according to its impact on performance."

"To illustrate different aspects of suitability, here are some examples of job behavior factors that could be relevant to a specific job. These are just a small sample of more than one hundred important suitability factors that could relate to job success:"

- What types of things will an applicant or employee accomplish or put off?
- What motivates them?
- How will they communicate, influence and lead?
- How well they can handle autonomy, freedom and responsibility?
- How much initiative will they take?
- How much will they persist when faced with obstacles?
- How innovative will they be?

- How much will they accept and respond appropriately to feedback?
- To what degree will they become autocratic, dogmatic, dictatorial or controlling?
- How much will they resist change and/or be rigid?
- What behaviors will they exhibit under stress?
- How much will they be blunt or harsh in their communications?
- How much will they tend to be blindly optimistic, impulsive, illogical or easily influenced?
- To what degree will they avoid difficult decisions?
- How well will they organize and handle details?
- How much will they be scattered or chaotic in their approach to projects or planning?
- How much will they seek to learn, grow and excel?
- What kind of recognition do they need?
- As a leader, how well will they provide direction?
- How well will they enforce policy and standards?
- How likely are they to steal?
- How well do they handle conflicts?
- How reasonable will they be when assessing the value of their contributions to the company?

After you have profiled the job position, you have to assess the candidates' suitability objectively and score them against what you need for the position. Interviewing alone cannot determine suitability accurately, for several reasons:

- Too many variables
- Complex calculations
- Interviewer bias
- Interviewee faking

Personality assessments (such as Myers Briggs, PAI - Personality Assessment Inventory, DISC, MMPI - Minnesota Multiphasic Personality Inventory, or Enneagram) do not predict job performance. They should not be used for hiring or promotion decisions, in my opinion, though they have a place in leadership development. They can reveal what personality types your team has too much of, or too little. More on this in a later post.

So what kind of tool should be used for assessing suitability of a candidate for a leadership position? There are several key factors that enable a behavioral assessment to effectively predict performance. These include:

- Measure at least 100 traits with low correlations between them
- A work focused questionaire
- Detect false answers and self-deception

- Incorporates research of what suitability factors predict success for different positions
- Easy to understand reports
- Integrate eligibility and suitability scores

Please feel free to comment on experiences you have had using the various tools for work style assessment and personality assessment in the hiring and promotion processes.

Chemistry

Does your team looks great in theory but is just not very resourceful or even effective? Is your team exceptional on paper but never surprises you with exceptional results? Does it seem like you're actually draggin your team along behind you? If you could make your "B" team into an "A" team without the expense and risk of additional firing and hiring, what would this be worth to you and your company? The benefits are clearly vast and incalculable. This is something that is done all the time, and you can do it. Read on for a powerful recipe to greatly improve the performance and leadership effectiveness of your existing team.

If you have any doubts about whether it's possible to create an A team from a B team, think no further than many of the come-from-behind miracle teams of sport history. Even if you're not a big sport fan, you may remember the "Miracle on Ice" victory of the U.S. ice hockey team over the U.S.S.R. in the 1980 Winter Olympics. There was also the surprising 1988 L.A. Dodgers, the 1960 Miracle Mets, and the John Wooden dynasty of UCLA basketball, but nothing beats the 1980 Miracle on Ice for pure team chemistry over talent.

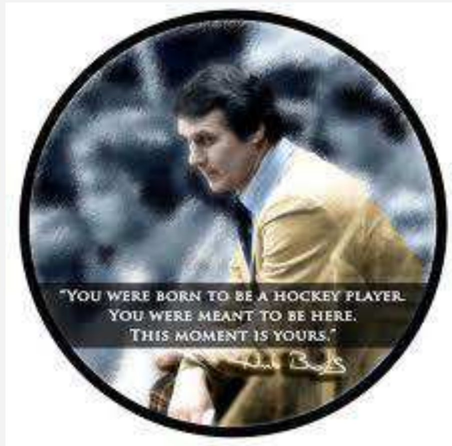
If you don't think your current team will ever create extraordinary results, just go to YouTube and watch the videos of the Miracle on Ice, widely regarded as the greatest moment in sports history. You've got to get the larger context. Watch the short documentary at: http://www.youtube.com/watch?v=3aQgmsEUqIA

It was early 1980. The U.S.A. and the Soviet Union were in the darkest portion of the cold war. The Soviets had just invaded Afghanistan; the Shaw of Iran had fallen and American's were held prisoner in Iran; American flags were being burned everywhere; the U.S. was emerging from its loss of Vietnam and from Watergate, the first oil crisis, and six years of stagflation. It was a depressing time for America -- the low point of American malaise.

Then came this surprising victory of American over Soviet hockey teams at the 1980 Winter Olympics in Lake Placid, New York. The Americans fielded a group of fresh-faced college kids, average age 22, against the clearly dominant professional Soviet team who almost never lost even against professional NHL teams. It was David vs. Golliath, Star Wars, innocents against the evil empire. A magical coach got a bunch of kids to believe they could do something they really didn't believe they could do. Yet they did.

It seemed like just a sports event at the time but this single event became symbolic of American resurgence, the phoenix rising. The American public was lit up for weeks with fresh confidence. Who knows what positive effect this had on public attitudes the rest of the year. Consider later that year Ronald Reagan was elected president on a campaign of Morning in America, the hostages in Iran were quickly rescued in a stunning raid, and the rest of the amazing 1980's unfolded -- victory over communism, the computer revolution, and an Amercian economic boom that lastest 20 years. I'll let you decide for yourself.

How did this Miracle on Ice in 1980 happen? What was behind it? What role did great leadership play? Here's a short video on the locker room speech by the American coach: http://www.boston.com/ae/specials/culturedesk/2011/05/the_herb_brooks_1980_miracle_o.html



Herb Brooks, coach of the 1980 U.S.A. Olympic Hockey Team

So don't ever tell me that turn-arounds don't happen. You were born to be a leader of business, science and technology. You were meant to be here. This moment is yours.

But how do you do it, actually? How do you engineer a turn-around, pivot, spin-off or other major new initiative with that kind of confidence and make it last?

I believe it's all about your leadership. However, I'm not talking however about inspirational speeches. It's not even about selecting the most eligible team, though of course that helps. Anyone who's observed either business or sports for any length of time has observed that victory usually goes to the team with the best chemistry, not the best resumes. Where your leadership comes in is finding the keys to chemistry on your team. So how is this done?

Reaching Peak Performance

In the last several sections, I've been discussing the assessment of "suitability" when recruiting for an executive position. An equally important application of "suitability" is the improvement of an existing team without necessarily adding anyone. Leaders that do the following are a long ways toward great team chemistry:

- Assess the work and leadership preferences of each of your key players.
- Discuss these assessments in a group setting, to learn each other's preferences.
- Assign responsibilities that are a good fit for each player's preferences.
- Supervise each player in a manner consistent with his/her preferences.
- Create project teams in which the player's work preferences complement each other.
- Assess your own work and leadership preferences using the same tools.
- Believe the results.
- Delegate work to other players to compensate for your own weaknesses.

In order to determine work and leadership preferences, you'll need an automated professional assessment tool. The one I prefer is the Harrison Assessment method. You can learn more about it at http://accountabilitypays.harrisonassessments.com/. Some reasons I like this tool are:

- Not only does it provide assessments, but it helps you match individuals with the ideal work responsibilities.
- It does not oversimplify people, trying to fit them into four to eight dimensions, assuming that all other dimensions are correlated. Instead, individuals are assessed on approximately 125 dimensions.
- Each person is assessed both in terms of their natural traits and their ability to mitigate strong or dysfunctional traits.

This latter point is really very interesting and powerful. Suppose for example, you want to measure a trait like ability to take independent initiative. This is not entirely positive. A very high score on this trait would be dysfunctional unless the executive has learned to compensate with the ability to take direction when appropriate. In general, an executive with both very strong leadership traits and compensating personal discipline is much more effective in a team environment. In a similar sense, a stallion must be broken before he can become a winning race horse. The Harrison Assessment pairs up complementary abilities so you can determine how well strong traits are balanced by learned self-control. This gives you a much more realistic view of the executive's real ability to win on your team.

If you've used a tool like this for team development, I'd very much like your comments on how this tool worked for your team.

In this post, I'm going to take a deeper dive into one effective way to lead your existing team so that it will surprise and delight you every day rather than dragging you down. A team like that becomes your "Iron Man" suit. Without it, you're smart but not going places. With it, you soar. Are you confused because your team is not helping your company soar? Does your team look great on paper but is just not getting the breakthroughs that you expected? If so, this post will give you a valuable tool to turn it around and soar.

In the prior post I discussed how peak individual performance is dependent on how well a team member is well-suited for his/her position -- not just eligible or qualified, but well-suited by behavior preferences -- i.e. the activities and actions a person prefers to do. Every position involves a different constellation of activities and actions. If a person prefers those particular activities and actions on a daily basis, that person is well suited for that position. You can see how for example, a chief marketing officer would need a different set of behavior preferences than say a chief financial officer or a chief scientist in order to achieve peak performance in that position.

I emphasize "successful" and reaching "peak potential" in a position rather than "competent" as the goal because many highly intelligent leaders can do many senior roles with some degree of competence. I know I can do all C-level jobs somewhat, and as a CEO I have to understand them and carry them out if needed. However, performing at a high level as Chief Financial Officer for example is not a good fit for my personality, i.e. my behavior preferences. To be really successful, to reach peak potential, there has to be very good fit of behavior preferences to the requirements of the position. Otherwise the job becomes boring or worse yet frustrating.

In contrast, if there is a very good fit of behavior preferences, a leader grabs hold of the position with enthusiasm, finds the challenges invigorating and experiences the work as fulfilling, gratifying or just enjoyable nearly every day. This leads to long term success and even brilliance at the position. A team full of such leaders will continously surprise and delight you. A team of such leaders leads a company to soar. That's what I want for you and your company.

Paradoxes

There is a very interesting and subtle twist to this theory that I hinted earlier. I was exposed to this first by studying the Harrison Assessment system, created by Dr. Dan Harrison, Ph.D. in Organizational Psychology. I learned more while I assisted last week with an internal workshop for the leadership team of a prominent company, featuring the Harrison Assessments system. It was fascinating because what emerged was that a good match of behavior references with leadership position depended on two separate issues:

1) How well does the leader's most prominent behavior preferences match the demands of the position.

2) How well does the leader compensate for his most extreme behavior preferences.

This latter point is really very interesting. Consider the position of VP of Sales. Obviously, having a preference for interpersonal communication is key to enjoying the work and excelling at it. Harrison points out that there are two competing aspects of communication: frankness and diplomacy. Frankness is a combination of authenticity, expressiveness and willingness to confront others with facts as you see them. A great preferences for frankness is clearly very useful in sales and sales management. However, frankness by itself is a child-like trait. In order for frankness to be effective, it has to be used in appropriate ways. Appropriateness develops with maturity and becomes diplomacy when mastered.

Diplomacy is the willingness to listen well, to be aware of the other person's state of mind, and with these skills, to restrain oneself and then make points in a way that will be believed, while avoiding offending people. A person neeeds a high level of preference for diplomacy to succeed in sales and even more so in sales management.

What's interesting is that diplomacy restrains frankness. Either preference at a high level by itself is dysfunctional. According to Harrison, a person who is just diplomatic will be "evasive." A person who is just frank will be "blunt". Blunt becomes offensive and alienating. So you would need both of these behavior preferences in balance to succeed in sales and sales management. If a person has a very high level of frankness, this must be balanced by diplomacy. With both at a high level, you have the potential for brilliance in this role.

I don't use the term "brilliance" lightly. <u>My ideal is that each leader on your team is so well suited for their position in all regards that they can achieve actual brilliance in their position while loving their workday. Imagine your whole team functioning at this level. Would this be a team that has the potential to surprise and delight you?</u> I think so.

Harrison defines twelve sets of conflicting behavior preferences such as the one described above (frankness vs diplomacy.) These are called "paradoxes" in the Harrison system. Here they are:

1. Open/reflective vs certain
2. Intuitive vs analytical
3. Analyzing pitfalls vs risking
4. Self-improvement vs self-acceptance
5. Stress management vs self-motivation
6. Warm and empathy vs enforcing
7. Diplomatic vs frank
8. Experimenting vs persistent
9. Collaborative vs authoritative
10. Helpful vs assertive
11. Flexible vs organized
12. Analyzes pitfalls vs optimistic

Take a moment and review this list. Is there any area where you think you are personally out-of-balance? How about your key team members? Most important, is there an area where you or they have a paticularly prominent preference on the right side of the "vs" which is not balanced by a mastery of the mitigating preference on the left side of the "vs"? That's where trouble arises.

I've observed that technical and scientific organizations frequently suffer from a heavy dose of out-of-balance behavior preferences in certain specific areas. These include:

1. Diplomatic vs frank
2. Experimenting vs persistent
3. Collaborative vs authoritative

I've already discussed the first. A preference for diplomacy is often in short supply in technical and scientific teams.

In the second area, in some companies I've noticed a desirable preference for experimentation but an insufficient balancing preference for follow-through. In some organizations the leaders are just the opposite, with leaders who prefer the disciplines of persistence while losing interest in further innovation. Both types of leaders are out-of-balance, and so do not achieve peak individual performance.

In the third area, in many companies, leaders prefer an authoritative type of leadership -- not comfortable with extensive delegation. This is because an extraordinary high level of expertise in the leadership team makes it difficult for the leaders to trust younger employees with important decisions. This can result in micro-management. With micro-management, neither leaders nor employees deliver peak performance.

According to Harrison, individuals who have balanced paradoxes in all areas are three times more likely to succeed. According to Harrison, this kind of balance is experienced as gratifying and enjoyable. In contrast, out-of-balance paradoxes either engender conflict and resistence from others or simply the inability to generate results. Both are experienced as frustration, not gratifying.

So it is important to assess how well each member of your team prefers balance in each of the twelve paradoxes. This information leads either to 1) adjustments in roles, 2) efforts to help the individual leader, or 3) efforts to mitigate the out-of-balance situation by introducing new processes at the team level.

I'm not going to use this post to discuss how to help an individual leader achieve greater balance in these paradoxes, for example how to help an overly frank manager master diplomacy. What I want to conclude with is how to deal with an out-of-balance situation *at a team level*. What I mean is, how does a CEO or team leader deal with a team in which most of its members are out-of-balance in the same ways? If you look at this situation graphically, it would appear to be a cluster of assessments in the same dysfunctional quadrant. What can you do about this?

In every area or "paradox", there are a set of management processes, developed by organizations over the years, which compensate for out-of-balance dysfunction at the team level. As a rule of thumb, these processes must be implemented at the team level because they require cooperation of all individuals involved. For example:

- To handle a team where frankness is not balanced by diplomacy (which might show up as a lot of overt conflict without resolution) there are well-developed processes for communicating feedback and converting complaints into positive plans.

- In the area of "collaborative vs authoritative" management, there are well-developed processes to facilitate trust and delegation of decisions to team members (without having to put individual leaders through years of individual coaching.)
- In the area of "experimenting vs persistent", there are effective and fun processes for dramatically raising the preference for innovation on your team. If there is a need for more follow-thru and persistence over long periods, there are processes that ecourage these preferences as well.

<u>There are powerful processes like this for each of the twelve paradox areas. Providing these processes is an aspect of great leadership training. With the help of these processes, your team will really help you soar.</u>

The Vision of Intelliversity

Intelliversity envisions all worthy innovative ventures becoming unstoppable.

Its mission is to assist innovators to gain the financial and management resources needed to win. It serves innovators of all types -- business, non-profits and research.

Intelliversity's current focus is capitalizing innovative companies using "Revenue Royalties."

Next, we take on scientific research. Intelliversity's goal is to stimulate an eight-fold increase in the private funding of science.

We believe that scientific exploration is the way forward for an intelligent species. *Science provides the most powerful incentives for collaboration and peace.* **We envision the day when scientific exploration, including the exploration of the cosmos, emerges as the shared purpose of all humankind.**

The Team behind Intelliversity

Robert Steven Kramarz, founder and Executive Director of Intelliversity was founder or C-level executive of seven successful companies in the computer industry, including acting CEO of Cordata, which was sold to Daewoo Corporation, a Korean conglomerate, and CEO of 1776 Software.

More recently he has been advising companies on formation and funding through partnership in 22nd Century Ventures and Vantera Partners. He is also a management advisor to Pacific Royalties, an advisory firm specializing in Revenue Royalties. He was for several years member of the largest angel investment network in the U.S. – Tech Coast Angels, and has invested in a number of technology and life sciences early stage ventures.

He is the lead investment advisor to his the Family Office run by his own family, responsible for a significant diversified portfolio of independently-managed investments.

Mr. Kramarz has the heart of an inventor and is a passionate supporter of science and technology. He believes that scientific exploration, especially when pursued on a large scale through private funding, can provide common purpose that can lead to peace and prosperity throughout the world.

Ravi K. Bohla is the co-founder and member of the Board of Directors of Intelliversity. Bhola has spent over 30 years investing in, building and growing technology companies and has worked extensively on an international basis in information systems, satellite systems, information warfare and energy. Ravi's experience is both as an investor and in various aspects of general management. He has acquired, grown and sold seven companies and has invested in over a dozen early stage companies as well as co-invested in a number of early stage startups.

Throughout his career, Ravi has been very actively involved in application of new technology, methods, and processes to provide competitive advantage or completely new ways of providing higher value solutions to new and existing markets. In many cases Ravi has brought customers, investors and companies into strategic relationships that allowed entry into new markets or the undertaking of complex projects in a manner that was faster and at lower cost and risk. He has been a partner in a Venture Capital fund and is currently a partner in a boutique private asset management company with an international focus.

Arthur Lipper, Chairman of the Intelliversity Board of Advisors, is an innovator in the field of financial services. He pioneered breakthroughs in the fields of mutual fund analysis, stock index futures and mutual funds, through the Lipper Index and the international Lipper Fund Performance Awards.

Mr. Lipper formed two New York Stock Exchange member firms, Arthur Lipper Corporation and New York & Foreign Securities, and served both as Chairman. These firms specialized in serving institutional investors, and their services included the creation of mutual fund investment performance analysis. They were members of all of the major U.S. securities exchanges and a number of commodity futures exchanges, and transacted hundreds of millions of dollars of business.

Arthur Lipper Corporation invested in privately owned companies, including Venture Magazine, where Mr. Lipper served as Editor-in-Chief.

In 2007, Mr. Lipper was awarded a U.S. patent covering the Comparator service for investment managers. Comparator allowed users to uniquely review and manage portfolios based on the relative weighting of holdings. In 2010 he was awarded a patent for an approach to using revenue royalties in the financing of companies. In 2013 he filed another patent covering the combining of debt and royalties.

He is a leader of the field of royalty finance, and has published a number of analytical tools to help investors and business owners understand their potential. Arthur is involved with a number of efforts to initiate funds, partnerships, and public securities exchanges focused on revenue royalties.