

Alison Whitmire: Welcome, everyone, to Learning in Actions Podinar Series. We are super excited to have you today, and we're going to be talking about how to spark a peak performance culture with our really special guest. I'm so excited that he's here today, Chris McGoff, and I'll give him a proper introduction in just a moment. So what are we going to be talking about today? Our intentions for today is to discuss what a peak performance culture is, and what it's not, to share with you a unique approach to creating peak performance that's focused on the fewest most important efforts that yields the greatest outcome. We're going to review something called a prime. It's a concept around that forms the basis of peak performance or can, and talk about why we lose what we chase.

Alison Whitmire: If you saw the video that was part of the promo for this, you might have gotten a sneak peak for that. We're also going to share a case study of partnering with an organization to create a peak performance culture. We're so excited for you to hear that. Finally, we're going to explore how you can make more money and do more meaningful work by tying what you do to the outcomes that you create. So not that everything is about money. It's not. We know that and I think what's fair is that we are valued in a way that relates to the value we're creating, and that, frankly, as coaches and consultants, we're not always very good at that. So we're going to be focusing on that today as well.

Alison Whitmire: I am Alison Whitmire. I'm the President of Learning in Action, and I'm joined by my colleague here today, Kris Harty.

Kris Harty: Hi, everyone. Thanks for joining us today.

Alison Whitmire: Thank you, Kris. Sorry to talk on top of you. Kris is going to be monitoring our chat function today, and making sure she is picking up on all of your... Hi, Kristen, popping in. She's horrified. Kristen, maybe you could kind of help her remove her, there. So we're going to be monitoring the chat box today, and we'll tell you all about how you can interact with us. What the heck is a podinar? Well, we made it up. It's a cross between a podcast and a webinar. We hope it's the best parts of a podcast. It's interview style, and it's interactive like a webinar. Why do we do these webinars? Why do we do these podinars? We do these podinars because we genuinely want to inspire and inform this community of people creating this change, facilitating and embodying change in the world, and doing really meaningful, transformative work.

Alison Whitmire: We want to do that by bringing you thought leaders like Chris McGoff today who can inform, uplift, maybe even liberate some of the ways you work with your clients. That's what rocks here at Learning in Action. How do you engage with everyone today? You can use the chat box to type in anything that's going on in your mind, in your heart, and share it with the audience. The best way to do that is by ensuring you're turning that little arrow to all panelists and attendees, otherwise, just Kristen, now you see that? If you want to ask a question, the best place to do that is in the Q&A box. If you can make it bite size

and pretty clear, then it's a really good chance my guests and I are going to be able to answer it during the podinar today.

Alison Whitmire: finally, if you want to participate in in polls, how do you do that? Poll is going to pop up. Submit the best answer then we'll show you the results. We're going to do one right now, so Kris Harty if you'll go ahead and launch our poll. The poll is: How do you identify? We want to know a little bit about you. Do you identify as an executive coach, an OD consultant, both, neither? Just want to know a little bit about you. Finally, I'm so excited to have my friend Chris McGoff with us today. Chris is one of the most brilliant people. It's not on this line, but I'll say it. One of the brilliant people I've ever met and brilliant for his ability to synthesize, and simplify extraordinarily complex concepts.

Alison Whitmire: He is the cofounder of a consulting firm called the Clearing. He is an author of the book that every single organizational development professional should own called the Primes: How Any Group Can Solve Any Problem. We'll talk about it. If you want a copy of this book, you're going to get to learn how by the end of the session today. He's also the author of the book Match in the Root Cellar: How You Can Spark Peak Performance Culture. We're going to be talking about that directly today. He's a serial entrepreneur, a frontline hands-on business builder, keynote speaker, forms contributor, all around fairly awesome dude. Hi. Chris it's so great to be with you today. Oh, we're going to-

Chris McGoff: Great to be here.

Alison Whitmire: Yeah. So we're going to launch our poll results here. Okay, so it looks like, Chris, that we have a 33% coach audience, just 7% OD only and then a nice cross section of 27% both, and some neither, too, so we have got a great mix in our audience today. Thank you, everybody. So Chris, share with us a little bit about what you do at the Clearing, and what makes it unique.

Chris McGoff: Yeah. The Clearing is the latest project. I've been at this 35 years and I'm just really trying to figure it out. It's a little bit like golf. It's an impossible thing to really think you have the complete truth on. What I'm talking about is driving change, driving transformation, but the Clearing is a consulting firm in Washington, D.C. It's got about 125 consultants in it now. It's growing at about 22% a year. Our customers are people who have been assigned or are choosing to cause a change, a transformational change, in their businesses. Some of our customers are in charge of leveraging an M&A, a merger and acquisition. They have to take two companies. Put them together, and develop the results that the prospectus indicated were possible. It's a very high failure rate on M&As right now.

Chris McGoff: All of our customers come to us to help there. A lot of our customers are trying to grappled with this technology. They're trying to integrate technology to center mediate their supply chains, just try to grapple with what the Internet is confronting them with, and the new competitive landscape. We also do a lot of

work with very large systems, like the Pentagon, the Federal Government, other governments in the world. So in a given day, we could be working with a very small startup in San Francisco, a very large system like the Air Force, and I think what we provide with them is a place where it's quieter, where there's more contemplative thought, less action, but the actions that they learn to take are the leveraged actions.

Chris McGoff: The Clearing is a space of nothing. It allows executives to get away from the text and the email just for a little while in order to think critically about what they're up to, and if there's one compliment that I can value the most it's when an executive says, "When I am in a clearing, I have the ability to do everything about the fewest, most important things, and when I'm out of the clearing I feel like I'm doing a few things about everything." So it's a place where you go all in, Alison.

Alison Whitmire: Just as you were describing the Clearing and what that means, I had a really somatic experience of that. Literally, I felt my shoulders drop. I felt myself relax. Just even your languaging that had an effect on me.

Chris McGoff: Yeah. I'm glad. I'm glad. It's funny. You run a successful consulting firm by basically offering a place of nothing. For those of you out there who understand a little bit about what we're talking about, today's executives are constantly being bombarded by activity requests, attention requests, and so many of them are benign, but the recovery from that distraction, as we now know, is several minutes, some 15, some say longer than that. So how do these executives have the ability to truly be contemplative and focused when they're driving large scale change? We know large scale change is 86% failure rate anyway. Those 14% that succeed, that's what I've been studying.

Chris McGoff: They're very focused, and this world is making it increasingly difficult for executives to focus. So we provide a place where they can focus.

Alison Whitmire: Yeah. I'm always curious about how people come to what they do, and I saw that you had a bachelors in biochemistry, and a Master's from industrial engineering from... Did you know we were both Red Raiders?

Chris McGoff: I did not know that.

Alison Whitmire: Yeah. Oh, my goodness. Two thumbs up! From Texas Tech, so yeah. So how did bachelors in biochemistry, Master's in industrial engineering... How does that fit and inform what you do?

Chris McGoff: That's what I'd be curious you pull your audience out. I'm already curious about how people end up choosing to butt their head against the change wall for three decades, OD people, and coaches, but for me I'm sure that I share a path like many other people on your webcast. I joined IBM in '81, engineer [inaudible 00:11:28] the fact that my college taught me a lot about engineering, but it

didn't teach me a lot about how people work together. Hell, it makes it hard for them. So IBM invested deeply in total quality management, excellence plus, 360, Agile, Spiral, the list can go on and on, and on, Strength Finder, Myers Briggs, methods to help us learn how to deal with each other, and deal with people. I got in charge of a very large and complicated technical project, but it also had a lot of social complexity.

Chris McGoff: It was complex on the dimension of technology but, also, complex on the dimension of social. There was a lot of people involved. Like putting in an ERP, or putting in a CRM into a big company, technically complicated, but it's also socially complicated. I felt very ill equipped, and I really had a sense that I was in an activity trap, so I began to just study groups, teams, people, and that's all I've been doing since 1984, and I'm still studying it, and probably will until I stop work.

Alison Whitmire: Yeah. I saw a question-

Chris McGoff: [inaudible 00:12:40] relatively strong in technology [inaudible 00:12:44]...

Alison Whitmire: Yeah. Kris Harty, I'm experiencing a delay. I'm wondering if that's my Internet or Chris's Internet.

Kris Harty: I'm experiencing that, too. So Chris, just know that there might be a little bit of a delay and occasional freezing, but we'll keep plowing through here.

Alison Whitmire: Okay, thanks.

Kris Harty: Yeah.

Alison Whitmire: Okay. So I think it looks like we lost Chris McGoff. He's going to come back on here. Hopefully that will help fix our delay a little bit. Okay, cool. So I think a question from the audience was asked, and I think your answer to this question is going to be peeled back through our conversation, but the question was: What have you learned from studying the 14%?

Chris McGoff: Yeah. That's what I wrote that book on. I wrote that book out like, "What do these 14% percenters do and say?" I avoided talking too much about what they think. I really focused on what actions did they take in the real world. How did they speak about what they were doing? How did they answer questions? I wanted to know what the 14% percenters knew. I want everybody out there to know that I got very fatigued with the method of the day, black belt this, Spiral that, so I went back into history and I studied ancient civilizations that were in peak performance periods, like the Romans, the people of Ephesus, and Incas, and I found very, very similar characteristics there.

Chris McGoff: So I have probably way too much to share than anybody on this podinar wants or would fit into it, but there was one striking thing that was shared across all

successful change projects that I could find in antiquity, and today, and that is a recognition of the extremely powerful forces of fragmentation. Fragmentation is when a group of people are asked a single question, and they give slightly or very dramatically different answers, and the three questions where power is generated, if there's alignment and power is lost if there's fragmentation. The very first question is: What is the nature of this system? Is it a professional services, a manufacturing, a platform, a channel? There are seven business models, and you'd be surprised at how few people or how much fragmentation there is when we ask people, "What is the nature of the system?"

Chris McGoff: "What are its parts? How are they interconnected and interrelated? Where are there key delays in the system that must be managed appropriately?" So this is called share perspective on the business we're operating. The second thing that needs very, very deep alignment and when it's there amazing things happen, is intentionality. Okay. If that's the physics of our system, what do we intend to do with it? What is our intention? The third and final thing where it's great when there's alignment and it's really difficult when there's fragmentation is the answer to this question. Okay. Since we know the physics of the business and the levers and constraints of the business, and we know our intention, what are the fewest, most powerful things we can go all in on in order to realize our intention?

Chris McGoff: So it's like a triangle, and there's a prime that people can read this in the Prime book. It's called Power. When you have alignment in the three corners, perspective, intention, and action, you generate power. When you have fragmentation you lose power, but Alison, here's the interesting thing. I know everyone that's listening to this knows this. Neil Young was right. Rust never sleeps. Fragmentation never sleeps. Entropy, the second law of thermal dynamics, systems go from order to disorder. How many times have you walked into your house and said, "Oh, my gosh. This thing randomly got organized"? It seems-

Alison Whitmire: Never.

Chris McGoff: ... to get disorganized. Right, never. So systems are the same way. They're already moving from order to disorder, unless energy is put in. So the peak performance leaders first of all recognize that their ability to succeed is related to alignment, and that what's knocking on their door every single day are the forces of fragmentation. They very appropriately and accurately quantify the amount of energy they have to put into the system to keep it aligned, and they resist saying things like, "We talked about this last week. I don't know why we're still talking about it." They are willing invest all the energy necessary to maintain sufficient alignment on perspective, intention, and action. As long as they keep that alignment, they're going to be in the 14%.

Alison Whitmire: Yeah? I really appreciate brought up... I can't tell you how many executives I've worked with that have said, "Look. I told them that. How many times do I have

to tell them the blank?" The answer is like never enough. You don't stop doing it.

Chris McGoff: Yeah.

Alison Whitmire: Yeah. So you talked to us a little bit about how peak performance leaders aligned with their people in the organization. Tell us a bit about what peak performance culture is, and what it is not.

Chris McGoff: Yeah. So I definitely need some grace from your audience here. I got to my interest in culture very late. As I said, I've tried all the methodologies, and I don't have a perfect track record, but I was working at the World Bank, the IMF, the UN where you had a lot of social complexity. The room would be full of a lot of people, and like these big systems and these small systems. I worked with religious people. I've worked with colleges, two very difficult places to form a focus, but I can tell you that the thing I'm most proud of is when you're working in a peak performance culture, and we've been able to establish them in several organizations, now, it's not easy, but it's doable.

Chris McGoff: One of the biggest compliments that I get, Alison, is people say, "What we've done here in our company is wonderful for our company. What the work in my company has done for me, personally, with my friends and family is so much more important because the interesting thing is it comes down to three ways of being in seven disciplines, and they're in the book. They definitely make your work go fast. They make the performance of your companies rise radically. We can talk a lot about that, but it also has a profound impact on your home and your friends when you live in alignment with these principles. One of them, to answer your question very specifically, is honoring your word as your life.

Chris McGoff: A peak performance culture is steeped in trust, and trust is not something to be sought out. Trust is the result of you occurring in the world as honoring your word as your life. If I say, "9:00 I'll be at a meeting," if I say, "Wednesday I'll have the report," no one wonders, and if your mates on the company tell you something that's going to happen, you don't wonder. Status meetings, checking in, little index cards in your pocket, memory joggers, all of that non-value added activity can fade away because it's all there because we can't trust each other with our word. So there is three ways of being and seven disciplines in a peak performance culture. One of the ways of being is honor your word as your life. If I get any email, it's on the profound effect that that has had on people outside of work.

Chris McGoff: What it's like working in a peak performance system? Well, first of all, you're able to powerfully service your customers. A peak performance culture really keeps the main thing the main thing. It's so wonderful, and I hope I can convey this through this computer time, but when you work in a peak performance culture, it is clear to you and to all the people around you inside that company that the soul of your company isn't in the employees. It's not in the inner

trappings, whether you bring a dog to work or have a Foosball table, or any of that stuff. The soul of your company is in the unmet needs of the marketplace. It's not inside your company. It's in these people in the world who are wishing for something, and if they had it, they could do something in their own lives. They're customers and prospects. That's the soul, the unmet needs of the marketplace.

Chris McGoff: When the company stands up its infrastructure, its skeletal system, nervous system, muscle in the form of employees, and IT, and all these things, it stands up to service its soul. There is this feeling of contribution when you work in a peak performance culture. There's this feeling of opportunity to make contributions to others. It's one of the top drivers right now is satisfaction, according to the Harvard Good Works Project is the ability to make a meaningful contribution with the time we have. Peak performance cultures are making contributions externally.

Alison Whitmire: That's so incredibly powerful, Chris. I loved hearing you say like the soul isn't in the employees, that it's not about the employees because so many as it relates to culture have kind of gone to that lens, and what I get is that through your defining peak performance culture this way, you're saying like, "What are we here to do together? What is the unmet need? What's the difference we're here to make together in the world?" That's the soul.

Chris McGoff: Yes. Yeah, and the interesting thing about it is and, again, I respect your audience tremendously, Alison. I really do, and I'm not going to say any of this is easy. I just think it's all doable. Your practitioners out there I'm really interested in hearing from them in the chat so that we can respond to them because they're all practitioners, and they're all experts in their own right. Sometimes I get in this trap, and I know my employees are listening right now, and I want to be clear on this. The ability for, say, me to run out into the street and grab a child from a car is related to my muscle and my ability to do this. So our employees asked, people that work in the company, I am not devaluing. I am not in any way the muscle, the brawn, the boldness, the daring, noble things.

Chris McGoff: What I am saying is there is correct order of things. The correct order of things are that your company personify it. Call it Peggy. Call your company Peggy. All Peggy wants to do is service the marketplace. She wants to create value for the marketplace. That's all she wants to do. She doesn't want to employee employees. She doesn't want to have technology. She doesn't want to have a CRM or an ERP. She wants to help people in the marketplace. To do that she's going to need some things. She needs employees and technology, and these various things in order to do that, but here's Peggy's promise.

Chris McGoff: If you wake up every day, peak performance cultures wake up every day and they say, "Peggy, I'm going to surrender what I think. I want to know what you think right now. Where are you constrained, Peggy? Where are levers that are in your system that we're not using to the fullest extent? And mostly, have you run

out of anything? Do you need anything or is there too much of anything? Talk to me, Peggy." She will. She'll talk to you, and that becomes the agenda. The company is setting the agenda, and it's setting that agenda so they can more powerfully service its marketplace. Here's the promise she makes. She said, "If you listen to me closely, I will tell you what you can do to make this system at its highest level of performance and value creation externally. Because of that, we will exchange cash with that marketplace, and I will share it with you."

Chris McGoff: "We will be healthy. We will grow, and I will create opportunities for people to scale vertically." So I think that when we get at the Clearing called in because of some cultures issues and problems, one of the things that we see usually is a very inward perspective. What do we have to do internally to build a peak performance culture? That's the first thing we have to really reverse is really get an externally driven project, an externally driven perspective, and I think that's why you lit on the chase losed, and so I'll leave it back to you, now if you want.

Alison Whitmire: Yeah. Let's do. Chris, what's going on with the chat and the audience? What questions can we answer?

Kris Harty: Yeah. We have a great question from Wanda Nicely, I think is the last name. I apologize for any mispronunciation. Wanda asks. She says, "The executives I have worked with are in the action trap, and very rushed, et cetera. How do we help them be and find the quiet to make important decisions?"

Alison Whitmire: Thank you, Kris.

Chris McGoff: Okay. We're dealing with an experienced person here in Wanda. There's no question about it. So I'm going to give you, Wanda, an answer that you deserve. The people we serve, the executive leaders who are missioned to drive these large changes, they understand how dangerous it is where they are. They understand the failure rate. Many of them have been working a long time on their careers, so inside of all of us is a recognition that driving change is very difficult. Inside of all of us is ego, the desire to look good in our peers. What happens, it's very odd. The people with the most seniority are usually the people missioned to drive the biggest change, and they're the ones with the most to lose if it doesn't work.

Chris McGoff: One thing that puts a salved on that fear is activity, kinetic activity, lots of activity, because if we do a lot of activity, I'm doing something and, therefore, it must work. It's a guaranteed failure. Why? I bet they know that it is. If you're going to help people get out of an activity trap, telling them not to be active is not how to do it, in my experience, but saying, "Today we have eight hours." This is executive. "There is a lever for today. There is something that we can do extraordinarily well with sufficient time, with power, but calmness, that will have a disproportionate effect on our chances of success on this large changed effort. We're going to find that in the next 10 minutes, and then we're going to

work on it until it's complete, and it might require putting our cell phones on airplane mode."

Chris McGoff: Because the world is going to realize this is the darkside of this. I personify the as is, and I call it lethal. It wants to stay as it is. So the minute we bring an executive into contemplating the most important thing they can do today, and a willingness to do everything about that until they're finished, the instant we establish that, the world piles in on them on phone calls, interruptions, knocks on their door, cell phone. I've learned to personify it as the thing that is going to kill them and kill their change effort. It's the status quo. So the ability to build a wall, a clearing, around all of that noise, and to have the courage to say, "I might be wrong. I might be right, but here's where I think the lever is today. Here's the highest use of my time, and my team's time today. We're going to do everything about this today, instead of a few things about everything."

Chris McGoff: Speaking to them as, "This requires moral courage. We're placing a lot on our ability to find this lever today." It's not meant to feel certain. Managers use data until they feel certain, and then they act. Leaders are acting in ambiguity. So I wonder today, the people on this webinar, when you woke up today and you had an intention in mind for your life, what was your thought process on trying to figure out the biggest lever today that you could go all in on, which would have a disproportionate effect on you achieving your dream? When I see an activity trap, the last thing I want to do is talk about the activities, and the last thing I want to do is say, "Don't be so active," or any of that.

Chris McGoff: I'd rather just ask them the question. Of all the things that we could do today, what are the important ones to our outcome, and then of all of those, which are the fewest, most important that if completed with grace today, would have a disproportionate effect on our chances? I've never had any... Every time I ask that question, and you people can try it, there's a moment of contemplation. There's a leaning back, and then they say, "Well, if you really want to know, it would be this." I say, "Well, let's go do that until we're finished."

Alison Whitmire: Yeah. I am so appreciating the simplicity of it, and the courage it requires. You know what? What we learned at Learning in Action is that activity bias is a triggered response, and for some people, not all people, 60%. Our data shows 60% of the population what makes them feel better in any given situation, what makes them feel better when they're triggered, when they're stressed, is to do something, actually anything.

Chris McGoff: Yes.

Alison Whitmire: So for many, actually, a majority of the population of people we work with, like it's going to... What you're suggesting won't necessarily make them feel comfortable. It's more likely, I imagine, to make them feel initially uncomfortable. I'm curious how you work with them through that discomfort.

Chris McGoff: Yeah. I named the discomfort. Sometimes parables help and I have a number for this area. I'd be happy to share them after this, but I'll give one. I think storytelling, and parables are very important in our work. I collect them. I hold them in my tool belt, and use them when I think it fits. One in this particular matter is a rodeo cowboy who has got his leg pinned up against the coral. He's going to get busted out on this wild horse, but the horse is smart, doesn't want to do that, and so before they open the gate the horse leans against the coral, and he's got this cowboy pinned. It's not good. So the clowns, who are very important people, are pushing against the horse to try to get this horse to release this leg, and the horse is huge, and will not do it.

Chris McGoff: But the old clown is standing there looking at the situation, not really doing anything, and then he walks over and he picks up a stick, not even that thick a stick, just a stick, and he walks to the other side of the horse, and he takes the stick, and he reaches down and gently pushes the stick into the under side of the horse, and the horse immediately pushes towards the stick, and releases the cowboy's leg. All the other brawny young clowns look at the old guy and said, "Why did that work?" He said, "Well, I thought about it and I said, 'The worst thing for a horse when they're running is to catch the bottom of themselves on a thorn bush because it'll rip them open,' and so they have an instinct to push into pressure underneath. So I just took the stick and I pushed in, and the horse instantly pushes into that pressure to minimize the damage, thus freeing up the cowboy's leg."

Chris McGoff: What the old cowboy did was he thought a lot and acted in a small and powerful way, so he was more contemplative with a powerful action than a lot of powerful actions that were futile. I want to put another one in your audience's bag. So the rodeo, that's a true... That really happens. I heard that from a cowboy, and I collected that one. Now, a second one is I'd like to take you to for those international folks, I know that this is not quite as en vogue right now, but I'd like to distinguish again between the rodeo person who is going to tackle the bull, and tie it up, and dominate the bull in the Western towns of America and other places versus the matador.

Chris McGoff: Now listen to this analogy, if it helps your people. I want to outfit your people that are on this webinar. I want to outfit them with powerful tools. So if we look at the cowboy again, he's in the stall. They're going to put a bull out. They're going to anger the bull terribly by shocking it to get it really upset. The cowboy is going to break out on the horse. There's going to be a lot of Budweiser, and leather, and screaming, and all this stuff, dirt flying, and if he's lucky, she's lucky, she's going to jump off the horse. She's going to fight this thing. She's going to take it down, maybe break something, a lot of dust, a lot of dirt. Hopefully, the person can dominate the animal. But now let's go to a different part of the world, now, and enter a stadium where everyone is dressed to nines. It's a beautiful day.

Chris McGoff: All the women have roses, and the matador comes out in silk pajamas, and walks to the center of the ring, and enrolls everyone in the possibility that he will, in a very traditional and stylish way, dominate the bull. They open the door, and the bull... They don't hurt the bull, but the rodeo person gently takes the concentration away from the crowd and into what he is doing, and he waves just a tiny of his wrist the red silk, and the bull goes, "You know I don't like that. I was having a good day. Now, I have to chase you." So the bull comes flying across and all the rodeo person is doing is counting the steps and counting the distance, and says, "When the bull puts the right hoof on that grain of dirt, I'll move," and when it happens the rodeo person or the-

Alison Whitmire: The matador, yeah.

Chris McGoff: ... matador simply turns on one toe and becomes where the bull isn't, and the bull runs by, and then the matador turns the other 90 degrees to face the bull and repeats the process. The matador does that until the bull realizes, "I can't win this game. I can't win this." When the matador sees that in the bull's eyes, the matador then sacrifices the bull. The bull is dominated in both stories, but the rodeo person is mostly kinetic with a little bit of contemplation. The matador is completely contemplation with a very small amount of kinetic activity. I just know that these executives are going home to families. They're going home to health issues.

Chris McGoff: They're whole people and I want to conserve their energy, but I want them to have the maximum impact, and so I encourage them to think like the old rodeo clown or to think about being a matador versus a rodeo kinetic person. It typically works. They look and they go, "It can be that easy? I don't have to be so busy?" Not only do you not have to be busy here, but being busy isn't going to help. It's going to put us in the 86% failure rate. Here's just one last interesting thing and I'll stop. I know I'm going on a little bit, but I ask your audience when there's a large scale changed effort going, and your client is pretty much accountable for it, how often are they sitting around doing nothing so that their nothing can cause very important information to come into it?

Chris McGoff: See? The executives who pull this stuff off they keep a lot of discretionary time in their calendar so that people feel free to say, "Hey, Mary. You have a minute? I want to tell you something." But the ones that are running, running, running, running, the busyness doesn't create any openings for people to share the most important information. The kinetically charged executive leading change is probably going to be in the 86% failure rate, in my experience.

Alison Whitmire: Yeah. So I'm just looking at our time. We have a little less than 20 minutes left. We want to get to the chase loose prime in our case study, and so you want to jump into the chase loose prime? Is that a good place for us to go now? What do you think, Chris?

Chris McGoff: Sure. Thanks. For the OD folks out there, and for the coaches, I just want you to know that I would really like you to get something out of this, which results in you having growth in your contribution to your customers, growth in your own personal skills. Also, I'd like you to be able to grow financially and charge more. We can't make more time, and so the way we grow financially is to increase our rate. I wanted to share this with you. For those of you, I think some of my clients are on this webinar.

Alison Whitmire: [crosstalk 00:41:38]

Chris McGoff: You're going to have to give me some grace here because you can focus on the first two reasons, not the third so much, but here's what I've learned about working with executives for 30 years, and being one myself and driving growth in companies. There's an industry out there, which I was part of, OD coaching, even HR, and there is just a lot of money poured into it. You know, 360 training, just a lot of stuff. On the left-hand side, you see somebody who is chasing high performance team, high performance innovation, high performance culture, high performance leaders, and they buy, and they pay maybe a thousand a day or 1,500 a day, 1,200 a day for some kind of solution.

Chris McGoff: The executives participate in it because they think teamwork is important, culture is important, leaders are important, innovation is important. I did that for probably two-thirds of my career, and it was very good to me. I built two companies and sold them, and a third one here, so I'm not trying to say... If it's working for you, keep doing it. Keep selling team, innovation, culture, leadership development. I'm not doing that anymore. What I'm doing is I'm meeting with the executives to discuss typically externally driven outcomes, introducing new products faster, doing an M&A, adjusting the products [inaudible 00:43:08] to the customers, entering new markets. If you look on the right, the high performance outcomes are P&L related, and revenue related.

Chris McGoff: These are outcomes that are truly the measurement of the senior leaders. They are not measured on team, innovation, leadership development, and culture. They're measured on revenue producing, margin producing activities. So when I engage with them now, I say, "I know that you called me because of the work I do in culture, leader, team, innovation. I know that, but the trick is the brand of our project will be increased market share by 13%. That's the brand of our project. Now, we're going to start to run after that outcome, and that little triangle, that little red triangle is something dysfunctional happened. I will ask your audience to really stay with me on this.

Chris McGoff: It's going to take us a year to do this thing, whatever it is, and quickly something dysfunctional happened. Maybe at the leadership level, maybe at the culture level, maybe at the team level, something dysfunctional happened. We push a red button, and we say, "We are no longer pursuing that business outcome because a dysfunctional behavior has put this at risk. We must tease this out of our group right now. If it's the leader, we go one on one. If it's the culture, we

work with the group, and if it's the team, we work with those dynamics. We do it as quickly as possible so that we can get back up on the train to chase the outcome. So the key things that I've learned here is, first of all, we're treating something not proactively, but reactively, which is odd.

Chris McGoff: You'd think you'd want to treat things proactively, but I've never had any luck in it. So we say, "Look. This is the behavior we all just observed. This is what happens if we tolerate it, so we're making the adjustment right now, and then we're getting back on the track." Well, in the course of a project, you end up with like 20 or 30 of those little triangles. Now, at the end of it, you get your high performance outcome, your market share or whatever it is, you get that on time. Maybe in budget, but definitely on time. You get it done, but because you've corrected so many things along the way at the leader, culture, team, innovation level, you also get a peak performance team, peak performance culture, and a peak performance leadership team.

Chris McGoff: If you chase team, culture, leader, you lose it. If you chase high outcomes on performance, and fix dysfunctions at the team, culture, leader, you get the P&L. You get the revenue, and you get team, culture, leader. The part that I've noticed is you can increase your rates significantly because you can say to your customer... They don't know how to value team, culture, leader. They think they do. They'll say some things, but it's not how they're measured, but if you can say, "What is 13% increased market share worth to you monetarily?" They will give you a lot of zeroes after some big numbers. All you're looking for is a percentage of that if you help them achieve it.

Chris McGoff: So there's a lot more room to do value pricing when your brand is, "I chase outcomes and I'm an expert at diminishing any dysfunctions at leader, culture, and team level." That's what the Clearing is all about. We chase real outcomes, real significant market-driven outcomes.

Alison Whitmire: Yeah. I love you putting those two ideas together. So I think it would be really helpful is just to take a minute and talk about a team dysfunction, a leader dysfunction, a culture dysfunction, and kind of what you're doing before and during, and after the dysfunction.

Chris McGoff: I have a few. You told me you were going to ask that, and I want to be careful with time, but I'm going to give you one from the Silicon Valley because a lot of people are focused on millennials, and the hot rod companies out there, and that kind of thing. I have a whole thing I'd like to say about that, but what I do want to focus on is out team was sent to this company because of board action. The people who were funding this. This is at one of these over capitalized, under managed startups. You read about this one in the paper. When we got there, we could see this kind of thing that's happening in San Francisco with caterers, concierges, dogs, ping pong tables, foosball tables, but what we noticed very quickly was a lack of customer in the conversation. This was a very advanced technology company.

Chris McGoff: So other VCs, one of the people that provided the venture capital to this company was friends with the CEO of one of their very important prospective customers. This venture capitalist called that CEO, and said, "We want to make you a beta test. We're going to build this thing. We'd like to beta test it in your company," and that CEO, based on a long-term relationship with that VC said, "Sure." I knew that going in. From the President of the company down through the development team, and the market team, we just spent time talking to them, and kind of like on a stop watch, and we noticed how little they were talking about the customer, but they were talking a lot about changing the world with their technology.

Chris McGoff: In the Match in the Root Cellar: How to Spark a Peak Performance Culture, the very first discipline of the seven is keep the main thing the main thing, and always understand the unmet needs of the marketplace, what they think they need to meet that need, and how much that's worth to them. As we enquire through this team, this palatial office, and just all that California stuff, it wasn't there. So I asked the President if I could go and visit this company, and I did, and they were a Midwest-based insurance company, and I asked them. I met with the leader. I said, "Can you tell me how this company I'm working with, this technology company... Here's a really important question. Can you tell me how they are occurring to you? In other words, when you think of them, when you look at them, when you talk to them, how do they occur to you?"

Chris McGoff: To sum it up in a word, arrogant. So I said, "Here's a piece of paper. What is the business problem that you have?" They told me what it was very clearly, and I said, "Okay. Why is it so important that you solve this? Is this the most important thing of all? You must have 20 important things. This is a big company. You must have a lot of things that are important." He goes, "No. This is the most important thing," and they made a case for that. I wrote that down. I said, "Okay. What is it you need to solve this problem?" They described it. They really had it in their hands, and they described it. I took that and I flew back to the Silicon Valley, and we compared what that person told me to what that company was actively building right now. They were building something this big when that customer wanted something this big.

Chris McGoff: But the customer wanted it now. They didn't want it later. So we made that voice the dominating voice in that organization, and some engineers left because they could. They were like, "We're not going to... Anybody could build that." I was like, "Well, anybody could build it, but you're not, and that's what they want." So a few people did leave, and I think your audience knows the dangers of that, but to me it looked like an existential threat of having engineers out of control in designing these really cool things so they could talk about it in cafés at night in Mountain View. So it was rough, Alison. I want you to know that, but we found a team that wanted to build what this customer wanted. We built it. We satisfied that first customer.

Chris McGoff: They become a referral, and then we carefully opened the aperture of components and features, carefully, and not overwhelmingly. We got cashflow. We were still losing money, but we finally got an invoice out. All of a sudden, we caught some traction. It was a very successful story. That's working three years with these people, now, but that was one where we turned back what I thought was a ship running right into a jetty.

Alison Whitmire: Wow. I love that. The dysfunction was that no one's talking about the customer. Yeah.

Chris McGoff: Yeah, and weren't aligned on it, either. If they did talk about it, one of the engineers would say one thing, and then the sales person would say another, and the leader of the company said something else. Even the ones that were talking about the customer were saying different things.

Alison Whitmire: Yeah, crazy. So speaking about talking with the customer, Kris, what are people on the line saying?

Kris Harty: We've had terrific comments. Thank you to everyone who has been participating. We have two great questions still. Sophia Ashmore says, "I'm interested in the concept of fragmentation and how it gets in the way of organizational performance. What strategies can Chris recommend for leaders to cultivate alignment, and minimize system fragmentation?"

Chris McGoff: Who said that? Who asked that question?

Kris Harty: Sophia Ashmore.

Chris McGoff: Sophia, thank you. We can talk after this is over in depth if you'd like. I think Alison is going to give you some communication on this, on how to get in touch with me. I'm happy to talk more deeply, but I want you to understand that... I hope this is useful to you. First of all, I want to distinguish problems from difficulties. Problems are a flat tire on a car. You get out and do a project called change the tire, and when you finish the project, the problem disappears. Difficulties are like raising teenagers. It never disappears. All you can do with a difficulty is work on it programmatically, not as a project, but as a program, a constant programmed effort.

Chris McGoff: So I want to distinguish problem, which can be disappeared through a project, and difficulty, which can only be managed programmatically. Fragmentation is a difficulty. It cannot be solved. It is a relentless pursuit of the earth for disorder. What we have to do is we have to programmatically manage the level of fragmentation over the length of our project by investing in authentic conversation. Words that create the future because we honor our word as our life, and valuing alignment on perspective, intention, and action, and be willing to invest in that, and as long as there is fragmentation until there isn't with one exception. 13% of your system are laggards. They never get aligned. They

complain, and complain, and complain, and they're dressed well, and they're very funny people, but they never join the alignment.

Chris McGoff: They cause fragmentation for sport, and we need to ignore them. Don't even spend time firing them. We need to ignore them. They play the fragmentation game for self esteem, but the early adopters, early majority and late majority, you know that big group of people, they will come into alignment just like your car will, and if you keep investing in it, they will stay aligned, and that is the most important thing to have happen to drive a change effort is alignment.

Alison Whitmire: I love that. I feel like I could listen to this and have this conversation with you all day. I would love to.

Chris McGoff: I'd love to.

Alison Whitmire: We're drawing to a close here, and so I want to make sure people know how to get in touch with you. First of all, we want to know how because our customer feedback is super important to us. We want to know how you experienced this podinar today, so Kris, if you would launch that poll on rating the podinar today, that would be great. If you'd like to learn more about what we're doing here at Learning in Action, you can learn about us at our introduction to relational intelligence. The short version is EQ is about me. RQ is about we. We focus on the we.

Chris McGoff: That's awesome.

Alison Whitmire: Yeah. So psychology for coaches, a very low priced class, we're offering to get to know us, and kind of a taster, and then we've got certification training coming up in Seattle for teams, for individuals, and then virtual team training coming up, too, if you'd like to know more about that. That's all on Learning in Action at Teachable.com. Kris might put that in the chat box, so you see that there. Chris McGoff, how do you learn more about Chris? He's on LinkedIn. Here's his Twitter handle. You can email him at Chris.McGoff@theclearing.com. You can learn more about what the Clearing does at his website, theclearing.com. You can learn more about the Primes. I'm not kidding about these books, people. They will change your organizational development life for sure.

Alison Whitmire: Just perusing on the Primes will teach you a lot. Chris, what did you say your deal was for people who want books?

Chris McGoff: Yeah. The first 10 emails I get, I'll stick both books in an envelope, and you can have them on me, and I'll sign them if you give me your name. I guess you will in the email, but the first 10, I'd be happy to ship them out, and you'll get them within a couple of days.

Alison Whitmire: You can't get better than that, free books people for the first 10 people. It doesn't get better, and they're available on Amazon, and if you do any of this

kind of work, I strongly recommend them. If you'd like to learn more about me, and what we're doing at Learning in Action, you can find all that about here at these websites, and these email addresses. Our next podinar is going to be with Irvine Nugent. It's coming up here on June 21st. It's going to be about unmasking non-verbal messages. This is based on the work of Paul Ekman, which Irvine is a master Ekman practitioner. It's going to be all about how do we learn to, and how do we teach our clients to learn to read what's not being said? So that's going to be super awesome, too.

Alison Whitmire: That's coming up. Anyone who's registered for this podinar will get a recording of it, so if you didn't catch it all, you could catch it all then. You'll receive links to everything we've talked about, as well as the opportunity to register for the next podinar. All good stuff, so Chris, thank you so much. I wish we had another hour or two, three to spend together. The well is never dry with you. I know that. So thank you so much.

Chris McGoff: Thanks for having me. I enjoyed speaking into your listening, and to your audience's listening.

Alison Whitmire: Yeah. It's so great. Thank you, Kris, for joining with me today, Kris Harty, and to the rest of you. Thank you for coming. Be well. Do well. See you next time.