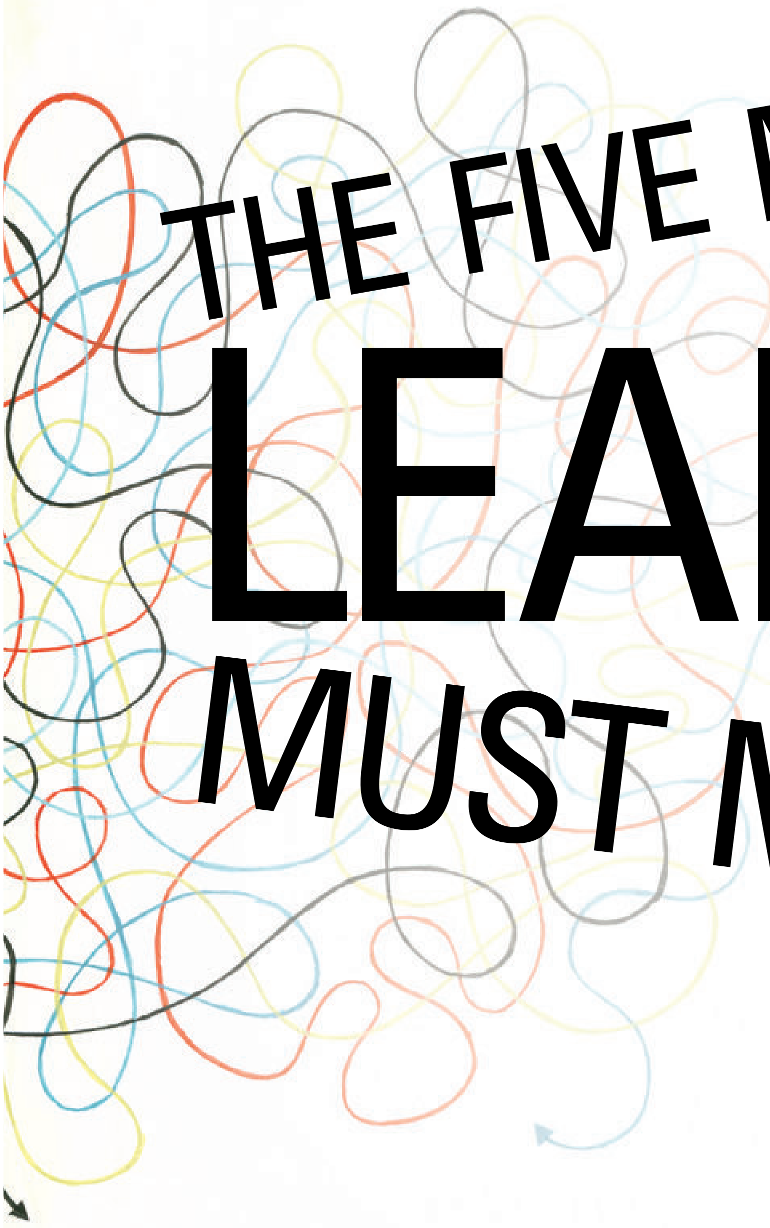
JOSHUA GORCHOV

THE FIVE MESSAGES LEADERS MUST MANAGE



All too often, leaders fail to explain what they mean when they talk about organizational structure, financial results, their own jobs, time management, and corporate culture. Left unclear, these concepts can throw a firm into turmoil—but when given proper focus, they confer extraordinary leverage.

by John Hamm

IF YOU WANT TO KNOW WHY so many organizations sink into chaos, look no further than their leaders' mouths. Leadership, at any level, certainly isn't easy – but unclear, vague, roller-coaster pronouncements make many top managers' jobs infinitely more difficult than they need to be. Leaders frequently espouse dozens of cliché-infused declarations such as "Let's focus on the key priorities this quarter," "Customers come first," or "We need a full-court press in engineering this month." Over and over again, they present grand, overarching – yet fuzzy – notions of where they think the company is going. Too often, they assume everyone shares the same definitions of broad terms like vision, loyalty, accountability, customer relationships, teamwork, focus, priority, culture, frugality, decision making, results, and so on, virtually ad infinitum.

Even the most senior managers nod in polite agreement when the CEO uses inflated terms like these, but the executives may feel somewhat discomfited, wondering whether they've truly understood. Rather than asking for clarification – a request they fear would make them look stupid – they pass on vague marching orders to their own troops, all of whom develop their own interpretations of what their bosses mean. In the absence of clear communication that satisfies the urgent desire to know what the boss is really thinking, people imagine all kinds of motives. The result is often sloppy behavior and misalignment that can cost a company dearly. Precious time is wasted, rumors abound, talented people lose their focus, big projects fail.

By contrast, think of the way a high-reliability team – say, an emergency room staff or a SWAT team – works. Every member has a precise understanding of what things mean. Surgeons and nurses speak the same medical language. SWAT teams know exactly what weapons to use, and when and how and under what conditions to use them. In these professions, there is absolutely no room for sloppy communication. If team members don't speak to each other with precision, people die. People don't die in corporations, but without clear definitions and directions from the top, they work ineffectively and at cross-purposes.

For the past five years, I've worked with hundreds of CEOs as a leadership coach, a board member, a venture capital investor, and a strategy consultant. I've also been a president and CEO myself (my company, Whistle Communications, was acquired by IBM in 1999). The companies whose CEOs I've worked with – typically technology firms – range in size from about 100 to several thousand people. In observing CEOs, I've come to the conclusion that the real job of leadership is to inspire the organization to take responsibility for creating a better future. I believe effective communication is a leader's single most critical management tool for making this happen. When leaders take the time to explain what they mean, both explicitly (by carefully defining their visions, intentions, and directions) and implicitly (through their behavior), they assert much-needed influence over the vague but powerful notions that otherwise run away with employees' imaginations. By clarifying amorphous terms and commanding and managing the corporate vocabulary, leaders effectively align precious employee energy and commitment within their organizations.

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In researching this topic, I have discovered that many leaders don't take the time to define specifically what they mean when they use generalized terms or clichés. They don't want to feel that they are talking down to people by providing what seems like unnecessary detail or context. Leaders simply assume that the exact meaning of their words is obvious; they're surprised to learn not only that their message has been unclear but that their teams crave definitions so they aren't forced to guess what the boss has in mind.

If we accept that the leader's job, at its core, is to inspire and support the organization's collective responsibility to create a better future for the company, then what are the keys to effectiveness? What tools do leaders need at hand for this mission? What mental models must they have? I like to think of good leaders as comparable to skilled locomotive drivers. The train is controlled by a set of switches and levers. When the driver pulls one lever, the train goes forward; when he pulls another, it stops, and so on. When an organization is well aligned, all the managerial levers are easily and neatly moved. They function smoothly so that driver, passengers, and train gracefully move forward as one.

In my experience, five such topics control the train: organizational structure and hierarchy, financial results, the leader's sense of his or her job, time management, and corporate culture. Messages on these subjects wield extraordinary influence within the firm. When leaders take it for granted that everyone in the organization shares their assumptions or knows their mental models regarding the five subject areas, they lose their grip on the managerial levers and soon have the proverbial runaway train on their hands. But properly defined, disseminated, and controlled, the five topics afford the leader opportunities for organizational alignment, increased accountability, and substantially better performance.

Before examining each one, I'd like to address a few possible objections head-on. First, why do these five particular topics matter so much – why would defining corporate culture be a higher priority than, say, defining customer relationships? Certainly, other terms carry a premium in some organizations, but I've found that these five are excellent places to start and are highly representative of the kind of difficulties that exist for leaders as they speak to their teams day to day. The topics not only present the sharpest examples of the dangers of imprecise communication, but, when mastered, they also produce the greatest leadership leverage.

I am hardly suggesting that in defining the five concepts precisely, leaders should become dictators or blowhards.

On the contrary, I am suggesting that when a leader defines what he or she really means and sets a clear direction according to that definition, relationships and feedback improve, action is more efficient and on-strategy, and improved performance follows.

Organizational Structure and Hierarchy

MESSAGE 1

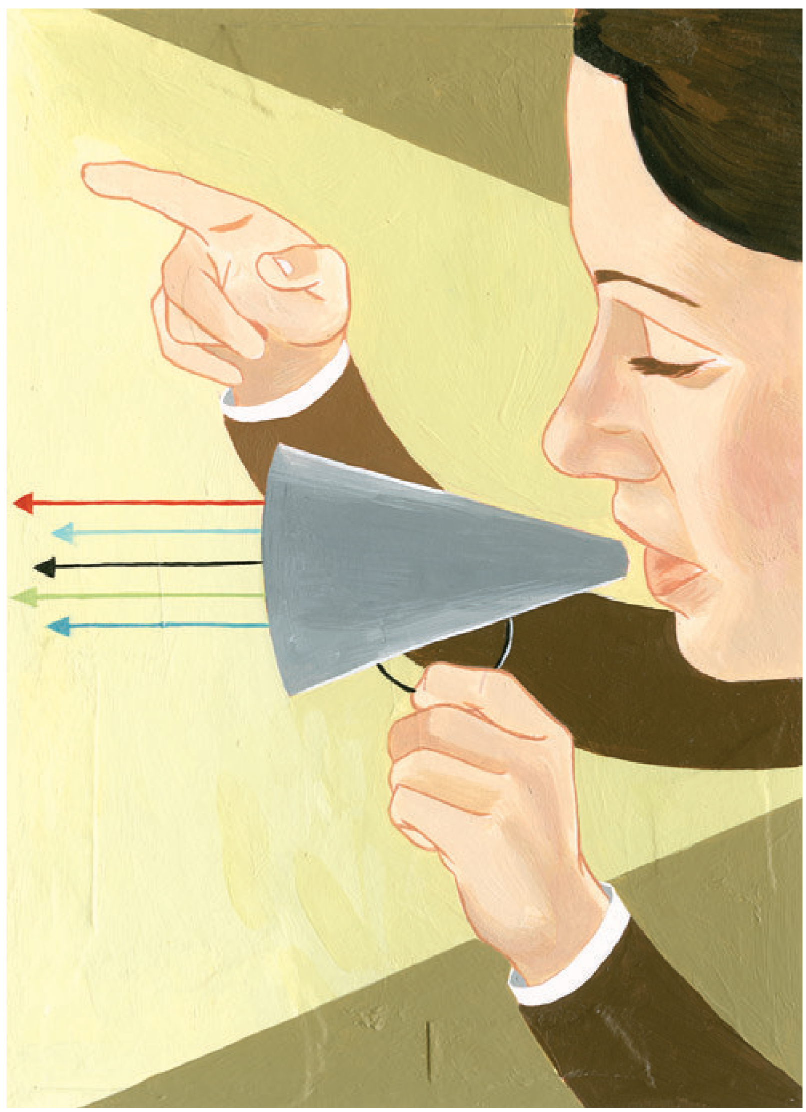
The organizational chart, because it represents individual power or influence, is an emotionally charged framework even during a company's most stable times. But when the corporate structure is changing, the org chart can truly become fearsome, particularly in companies where, because of the political culture, employees worry about risk to their personal status.

If a CEO fails to take definitional control of a reorganization, with its prospect of job losses, boss changes, and new modes of working, the whole company can grind to a halt. Consider what happened when one well-known former CEO allowed the default assumptions surrounding the term "reorganization" to take hold. A few years ago, Carly Fiorina decided that Hewlett-Packard needed a top-to-bottom reshuffling. She had a fixed idea that reorganizations must be managed with extreme care, and she implicitly communicated her belief by the cautious way she floated her ideas with senior managers. She worried that a reshuffling plan would open a Pandora's box of political sensitivities, especially among middle managers. For this reason, everyone assumed that "reorganization" was cause for fear and trembling.

For two months prior to Fiorina's official announcement, work slowed or stopped as employees, not knowing precisely what to expect or fear, shifted their focus to the upcoming changes. Managers, jostling for power and position, got lost in political battles. Motivation plummeted. Contractors were put off, since no one knew who would be managing which divisions after the reorganization. When the new organizational structure was finally communicated, still more time passed unproductively as employees settled into their new positions. A total of 12 weeks – a full quarter – were effectively lost. If you multiply that time by employee salaries, and factor in the inevitable lapses in customer service and product innovation during the period, you can conservatively estimate the damage to the company.

It may be unreasonable to blame Fiorina for failing to realize that she was communicating her trepidation, or to fault her for not divining the consequences of talking about her reorganization ideas months ahead of time. After all, leaders cannot be held to perfection in execution. But they *can* be held to a standard when communicating a vision and its rationale. If Fiorina had laid out the master plan behind the reorganization more clearly, made her decisions more quickly, and communicated more explicitly, the troops at HP would have gained a better understanding of the process, the reasons for the extended time frame, and their future places within the company.

A leader who quickly takes charge of the communication around a reorganization can prevent the discourse from engendering fear. The most productive way for a leader to think about organizational structure is as a flexible map



of accountability for action and, thus, results–a guideline whose purpose is to define goals and optimize resources, not to oust or devalue employees. When a reorganization is presented as such, it loses its reputation as a proxy for personal power shifts, whether real or imagined.

The CEO of a 150-employee software company shows how a leader can prevent political fears from taking hold by keeping communications brief and to the point. Rather than viewing the org chart as a source of anxiety, and communicating that attitude to the company, the CEO chose to see it as simply a temporary structure for optimizing resources. When a new strategy or direction was called for, he enlisted people as active agents of change, so they wouldn't be left to wonder whether they were to become victims. For example, the CEO realized at one point that he needed to realign internal resources because a close competitor was gaining an advantage. He called an all-hands meeting for a Monday morning. "Team," he said, "we're in a war for market share. I get paid to win it, and so do you. But right now I don't think we're properly configured to win the particular battle we're fighting, so I'm changing the structure of resources so that we can execute more effectively. Most of you will continue to do the jobs you're doing now, but you may have a different supervisor." After showing everyone the new organization chart, he looked at his watch. "It's 10:45 now," he said. "You have until noon to be annoyed, should that be your reaction. At noon, pizza will be served. At one o'clock, we go to work in our new positions."

The CEO later explained what he did: "We had a competitor who was showing us a better way to win the business. We were both like captains of firefighting teams. We each had seven people and a full set of buckets and hoses. My team had five guys armed with buckets and two with hoses. His team had three guys with buckets and four with hoses. We just weren't organized to compete and win. I wasn't trying to shift power; I was just trying to optimize our resources. I wasn't willing to let this change be viewed as a political event. I wanted it to be seen as a business necessity to remain competitive."

Obviously, it's one thing to shift personnel in a 150-person company and quite another to do so in a giant corporation like HP. But I would argue that the value of clear, honest, explicit communication rises exponentially with the size of the organization. In fact, a large company can be reshuffled much more quickly when the CEO deliberately decides not to inflate the political balloon and won't tolerate others doing so.

84 GREAT THINGS

To get an idea of what can happen when a CEO manages time constraints by setting reasonable expectations, imagine that you have seven direct reports, each of whom commits to completing no more than three important, very doable initiatives each quarter. If these reports and their teams meet their goals, four quarters will yield 84 significant accomplishments. If your company were able to do anywhere near 84 significant things in a single year, the results would no doubt be astonishing. The real enemy to accomplishing 84 great things is the temptation to work on the 85th objective and beyond before, or at the expense of, the higher-priority goals. To keep people on track, a leader must communicate objectives very clearly and demand that action flow to the real priorities first.

Having gathered the data and made her decision, Fiorina was under no obligation to provide previews of coming attractions. Within 48 hours of the announcement, she might have held a companywide meeting, complete with a Webcast, to explain why the change was necessary. To keep people's minds off who was headed down and who was headed up, she could have asked everyone involved in the changes to identify and submit, in short order, explicit goals for the next 60 days. She thus would have communicated that the organization chart has nothing to do with politics and everything to do with organizational effectiveness.

Financial Results

MESSAGE 2

"Results" is another powerful concept that, left unmanaged, poses a risk to a company's long-term health. When a top executive tells employees they need to "focus on our promised results," senior managers often interpret that as meaning "Do whatever it takes to meet investors' expectations." By losing sight of the connection between employee behavior and results, and failing to take advantage of learning opportunities, leaders miss out on building long-term value for their firms.

One CEO I knew truly believed that the only purpose of his job was to make aggressive predictions and promises about quarterly results and then achieve the numbers by any means possible. By the ninth week of every quarter, when projections fell short, he put enormous pressure on his sales professionals and finance people. His implicit message was: "These are the results I need; I don't care how you get it done." He fully expected the company to thrive.

Quite the opposite occurred. Because the CEO defined "results" so narrowly and failed to properly motivate or compensate his selling team, the sales force had no compunction about stuffing the sales channel. Though the company never met with any punitive action, its poor practices forced recalculations of results and exposed it to huge write-downs. Revenues stalled at $10 million a quarter, and the company was eventually acquired at a discount to its annual revenues.

In the long term, consistently positive results spring from intelligent strategy and an incessant focus on quality of execution. Think of a golf pro like Tiger Woods, whose best bet for winning major championships is to master his aim, setup, and swing. Once the ball is in the air, there is no way to control it; it will land where it will. Similarly, effective leaders understand that there is more leverage in using quarterly results as a metric for long-term improvement than in worrying only about short-term market wins. By using results as a diagnostic tool in the service of improving future execution, and by asking employees to participate in the analysis, effective leaders encourage honesty and engage their troops in open dialogue. Employees are more likely to generate good ideas, and the firm is more likely to surpass financial expectations quarter after quarter.

I had the pleasure of working for six years under John Adler, former CEO of the technology firm Adaptec. During his 12 years at the helm, Adler drove the company's valuation from $100 million to over $5 billion because he had a very healthy attitude about business goals and financial results. For him, results were not a punitive weapon but a useful diagnostic and learning tool. When the firm, at one point, missed a quarterly goal, he and his management team analyzed all the factors contributing to the shortfall. They discovered that, as a result of an unusual quality-control issue, the company had been unable to make some end-of-quarter shipments. Instead of reacting emotionally and assigning blame, Adler asked rigorous questions of the senior management team, which was able to uncover the root cause of the problem. He communicated this information broadly to ensure organizational learning. By focusing on and taking responsibility for the truth, Adler made others in the company feel safe to discuss the issue without fear of an emotional response that might lead to arbitrary punishment.

Through his actions, Adler sent an implicit message that the past was over and tomorrow was another day. Rather than being immobilized by uncertainty and wondering who would be forced to take the heat, software engineers and quality assurance technicians worked together to improve their processes to minimize the probability of missing sales projections because of last-minute quality or manufacturing glitches. From that point forward, the company's track record for quality was the envy of the industry. By adjusting his "swing," Adler was able to achieve accurate, consistently excellent results for the duration of his tenure.

The Leader's Sense of His or Her Job

MESSAGE 3

CEOs wear many hats and play many roles in the service of leadership, but, surrounded by people who seek their feedback and approval, some fall into the trap of thinking that their responsibility is to be the person who has all the answers. (This is especially true of entrepreneurial CEOs who are also founders, because their identities are closely tied with their companies.) The "answer man" falsely believes himself to be the final arbiter of conflicts, decisions, and dilemmas. This puts him in a very lonely, isolated position where information becomes unreliable and useful input is stifled.

A CEO I'll call Jim, who ran a once blazingly successful and now defunct desktop-publishing software firm, had been told his whole life that he was brilliant–and he was.

When a reorganization is presented as simply a guideline for defining goals and optimizing resources, it LOSES ITS REPUTATION AS A PROXY for shifts in personal power.

The recipient of an MBA from Stanford and a PhD from MIT and the holder of ten software patents, Jim was also a Midas: Everything he touched seemed to turn to gold. It wasn't much of a leap for him to assume that because he was so smart, he necessarily knew what was best for the company. Jim took great comfort in this assumption; indeed, since he was deeply insecure in other leadership areas, his identity rested on it.

Though Jim made a point of hiring the best and the brightest from top engineering and business schools, he didn't listen to his new team. Strategy, for example, was not Jim's strongest suit, but he believed he knew best how to combat competitive threats. When his managers made suggestions for staving off the competition, Jim ignored them, using his positional power to drown out discussion. He'd say of a rival company: "There's no way those guys could be close to our technology. I've met the CEO there and I know we can beat them. I will explain what we have to do." While forceful and somewhat persuasive, he was out of touch with market reality, and his team knew it. Frustrated, his managers soon grasped the implicit message that they were neither heard nor valued, and they began to flee the company, taking much intellectual capital with them. Jim, oblivious to perceptions of his own behavior, was baffled by the exodus, telling himself that the people who left didn't "get it."

Effective leaders, by contrast, understand that their role is to bring out the answers in others. They do this by very clearly and explicitly seeking contributions, challenges, and collaboration from the people who report to them, using their positional power not to dominate but rather to drive the decision-making process. The more collaborative and apolitical that process is, the less isolated the leader, and the greater the likelihood that the business strategy will be grounded in reality.

Contrast Jim's understanding and communication of his role to that of a CEO I'll call Chris, who ran a technology research firm. Chris, too, was brilliant and confident–top of his class at Harvard and a military hero in the Gulf War–but instead of expressing his intelligence arrogantly, he conveyed curiosity. In functional meetings, he communicated that for the duration of the session, he wouldn't wield his positional power as CEO but instead would be just another contributor of ideas. He listened to everyone's point of view before expressing his own. He posed questions and challenged opinions. In one meeting with his marketing team, he listened to presentations from public relations, marketing, and advertising managers. When he finally spoke, he noted that the company had outspent competitors in a bid to raise visibility for its flagship product but had yet to make a dent in competitors' market share. He asked that a smaller group convene within a week to find out why. Aware that the "boss's answer" would stifle the group's creativity and thus do more harm than good, he resisted the temptation to state his own theory.

In asking his team to be accountable for diagnosing the problem, Chris didn't accuse anyone or cast blame. He thereby conveyed that his role was to help the team process information. He made it clear to the people who worked for him that it was not his job to provide the answers, but rather to help find the best solutions. His authentically collaborative approach encouraged the smart people around him to contribute their ideas. The task force generated a half dozen thoughtful and feasible theories and several comprehensive recovery plans, the most compelling of which was put into action. It produced the hoped-for changes in market share in the next three quarters. In the process, several ideas for other successful marketing campaigns were born. As a result of his leadership, Chris's firm established itself as a powerhouse of intellectual capital in the technology arena. His company is now regarded as a unique source of market information and is paid handsome fees to publish its findings.

Like the Level 5 leaders Jim Collins describes, Chris led by separating his ego from his job. Leaders like Chris understand that their role is to ask great questions, and they know that answers can be found as long as employees feel safe offering them. Accordingly, the entire team moves the company forward.

Time Management

MESSAGE 4

Every executive feels that time is in short supply. Organizers, time management classes, and administrative assistants remind us of the time we don't have. Obsessed with deadlines, managers struggle against constraints by trying to squeeze, manipulate, and control the limited hours in the day. When the CEO gives employees the message that time is the boss, the "to-do list" mentality can easily subsume important goals.

Allow me to illustrate with an extreme-sounding but true example of a CEO with whom I worked. Alan, as I'll call him, was the busy head of a midsize technology firm in Silicon Valley. A former engineer who was ruled by his Day-Timer, to-do list, and BlackBerry, he started every day feeling that he was "behind," long before the opening bell on Wall Street. The time management system was his scripture, efficiency his credo, and prioritizing his Job 1. Alan's fixed idea was that time was the enemy; he communicated this message to his team, telling the members that by managing time better than their counterparts at rival firms, they could drive the company to success. His obsession with time created a palpable anxiety.

When economic conditions in the valley worsened, Alan was forced to impose a moratorium on head-count growth. Then the company received a request for proposal from BellSouth. Alan jumped at the opportunity to make a big software sale and focused his already stretched workforce on the project. Implicitly, time management became the operational currency of the organization. Alan became even more conscious of employees' use of time, so he separated elements of the project into streams, telling his direct reports where and how to use their hours and minutes to produce the RFP. When he was giving feedback to his direct reports, his first question was about how they used the time they devoted to their work. Despite everyone's efforts, however, there weren't enough hours in the day to keep up.

The company submitted the RFP on time, all its i's dotted and t's crossed, then waited with bated breath for what Alan was certain would be a positive response from BellSouth. But the company lost to a firm with inferior technology. The problem had less to do with the content of the proposal than with the way it was delivered. Alan and his team had created a perfect RFP but failed to invest in any relationship building with anyone at BellSouth. The competitor, by contrast, had developed close relationships with the telecommunications firm. Simply put, Alan's people were so obsessed with meeting tasks on deadline that they had lost sight of the project as a whole, and the customer in particular. It was as if the cooks at Alan's firm had made an exquisite, five-course dinner but had forgotten the wine, the tablecloth, and the flowers and had served the food cold. They delivered what Alan said he expected.

A CEO can be more effective if she communicates to the company that the resource of time must not be squeezed for all it is worth but instead must be strategically utilized. It's a subtle but important distinction. A leader who harps on time constraints and breathes down managers' necks, trying to get them to do too much in the allotted period, can make the organization frantic and, ultimately, ineffective. A leader who communicates that when time is tight, it's better to do fewer things – but do them very well – gives managers the confidence to make the best use of this precious resource. That way, everyone involved works within the time parameters to do what needs to be done.

CHANGE YOUR MIND-SET

When executives assume that managerial topics are understood the same way by everyone, they surrender the opportunity to lead effectively. Leaders who explicitly say what they mean are better able to leverage the energy and commitment of their followers.

	MESSAGE	CONVENTIONAL MENTAL MODEL		*TRY THIS*
1	**Organizational structure and hierarchy**	Make the org chart a proxy for politics.	➡	Optimize human resources.
2	**Financial results**	Penalize misses. Blame someone.	➡	Perform a diagnostic to determine the root cause of any shortfalls.
3	**The leader's sense of his or her job**	The boss has the answers.	➡	Everyone has answers – ask questions.
4	**Time management**	Time is scarce, so scramble against constraints.	➡	Time is fixed, so choose wisely within constraints.
5	**Corporate culture**	Hand the responsibility to HR.	➡	Create an environment in which everyone can help the team win.

If a top executive says employees need to "focus on our promised results," SENIOR MANAGERS OFTEN INTERPRET that to mean "Do whatever it takes to meet investors' expectations."

One leader who understands the importance of communicating properly about time is Mark King, the CEO of TaylorMade-adidas Golf. King desperately wanted to launch an industry-changing product to mark the company's 25th anniversary in the spring of 2004. The golf equipment business, like music, cars, and fashion, is trend driven; King knew that if his company could develop a breakthrough product and launch it at a very powerful point in the industry's history, the company would cement its status as golf's leading performance brand.

At first, King envisioned an entire new line of clubs based on the bold idea of movable weight, and he set all his best engineers working on development. They put in long hours, but as the six-month mark neared, he realized that his objective would be impossible to meet by the anniversary date. He could not ask for more time from the team, nor could he change the deadline. So he changed the goal. TaylorMade would develop a single golf club that would showcase the technology of movable weight, and the product would debut at the anniversary event in front of hundreds of reporters and industry influencers.

Instead of struggling against time, King shifted his choices within the time constraint. How, he asked himself, could his teams best use their hours? Instead of playing beat the clock by trying to do everything he wished, where could they best focus their energy? How could time be optimized? By understanding that he had a choice about how the limited time could best be used, he was able to free up needed technical and marketing resources and focus on quality and branding.

The new TaylorMade r7 quad driver, unveiled on the anniversary, garnered rave reviews. PGA and European Tour golfers snapped it up. By the time the 2004 PGA and European tours came to an end, half the professionals worldwide owned the new driver, guaranteeing its popularity among the golfing public. A dozen additional products followed, completing the team's vision for the line of clubs. The meal was well planned, cooked, and served. Today, TaylorMade is the fastest growing golf-equipment firm in the world, and its r7 driver is the flagship product in a multihundred-million-dollar product line.

Alan, the technology company CEO, sent the message that time was to be fought against, and he set unreasonable expectations. Mark King's message was that time was not the enemy, just a fact of the situation, and there were other, more controllable levers that could be used to meet the challenges at hand. Alan saw time as a fearsome, inflexible monster, best overcome by brute force; King saw it as a neutral phenomenon, best handled with flexibility. Both men had a strong vision of what success would look like, but King was willing to make trade-offs in the service of quality. (See the sidebar "84 Great Things.")

Corporate Culture

MESSAGE 5

What is corporate culture, and why is communicating clearly and precisely about it important? Culture is not created by declaration; it derives from expectations focused on winning. You can only have a culture that encourages performance if you hire the right people, require them to behave in a way that is consistent with the values the company espouses, and implement processes that will allow the company to win in the marketplace.

CEOs who fail to define success and communicate their vision of it, and fail to make their expectations clear to employees, produce meaningless cultures. The silly cultural activity arising from the high-tech bubble of the late 1990s is a wonderful example. I remember one Silicon Valley CEO who opened the "culture cupboard" and fed employees with all kinds of treats–Friday beer bashes, foosball tables, and the like. He even hired a "chief culture officer," an HR executive whose job was making employees feel fleetingly happy, even when the company lost a client or had a bad quarter. The idea was that if people felt good, if they were "empowered" and were working together, then good results would follow naturally. It was all about employee morale and attitude and teamwork. But managers lost sight of core business metrics. In the end, people wanted to work for a firm that did more than cheerlead them–they wanted a share in a successful IPO. Eventually, the company was acquired for mere asset value because instead of developing a winning strategy, the CEO engaged in indulgent avoidance.

A healthy culture is created and maintained by focusing on the right goals and creating the experience of winning in the marketplace. A telephony-software company CEO I'll call Jeff runs his firm like a high-performing sports team. A big, football-style scoreboard on a conference room wall displays the company metrics – sales, expenses, revenues – for all to see. All personnel in the company, screened for their collaborative as well as their analytical skills, work on six-person teams (according to the U.S. Navy SEALs, six is the ideal number of participants on any high-intensity project). Individuals are only as effective as their teams; everyone in the firm adheres to a strict set of values and basic standards of conduct. Finally, everyone in the company knows what winning looks like: a P/E ratio of 15, a market share of 20%, and 30% year-over-year revenue growth. If the company's goal is to make $20 million by the third quarter, the goal is broken down into strategic parts marked on the scoreboard. The spirit of the company is a function of its collective commitment to success, not the most recent company outing. Successful companies are places where people want to come to work – not to be coddled but to make a difference.

In companies with healthy cultures, employees aren't kept in the dark; rather, they are supported in the belief that they are part of an exciting future. They come to work with a fire inside them, a result of clearly stated leadership and business practices that everyone explicitly understands. Every person in the company knows how to individually contribute to its future.

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By recognizing the impact of clear and direct communication and seeking feedback from their teams, leaders leverage, rather than abuse, their positional power. The most effective leaders I know, CEOs who understand that the risks of miscommunication are very high, ask themselves the following questions on their way to work: What needs to happen today so that we can get where we want to go? Where is there confusion in my company? What vague belief or notion can I clarify or debunk today? What have I not communicated completely or clearly? What kinds of things are people taking for granted?

In the end, the power of clear communication is really a game of leverage. A CEO who communicates precisely to ten direct reports, each of whom communicates with equal precision to 40 other talented employees, effectively aligns the organization's commitment and energy around a clear, well-understood, shared vision of the company's real goals, priorities, and opportunities. He or she saves the company time, money, and resources and allows extraordinary things to happen.

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"This ensures that we don't overanalyze."