

Optimism and Realism: The Leader's Challenge

Optimism and realism can conflict, and yet both are vital for improving performance as well as maintaining motivation.

Rialto Executive Partner, Simon Clarkson, asks how do we maintain a positive outlook whilst dealing with the tough questions and issues that need to be addressed to create a step change in performance?

In today's world the challenge is greater than it has ever been. The difficulties businesses face are greater than ever with the competitive environment commanding the need for greater efficiency, performance and differentiation.

Added to the fact that the economic environment is perhaps the most difficult it has been for over half a century, we can begin to understand the challenge that leaders face in motivating staff and maintaining energy whilst also retaining a focus on the need for change and improvement.

In times of change, processes and project plans are only as good as the people driving them. It is their behaviour that will ultimately deliver the results. Individual mindset and engagement are vital drivers of sustaining the momentum of new behaviours to drive performance.

It is more important than ever for leaders to influence people positively whilst maintaining the vital authenticity needed for people to truly believe in them.

False optimism has been found to be as damaging to morale as pessimism itself.

In his book *Good to Great*, Jim Collins talks of the now well known 'Stockdale Paradox'. Jim Stockdale, a US prisoner of war, highlighted that in those dreadful conditions the best way to survive was to face the brutal facts of your situation, whilst simultaneously retaining faith that you will prevail in the end.

This process is similar to that which elite athletes also have to demonstrate expertly - Double Think. Imagine a putt to win The British Open. The golfer in question needs to stand over that putt with 100% belief they can hole it. Anything else and they are more likely to fail according to all credible theories of human performance.

However, the golfer also has to simultaneously hold the thought in his or her head that, should they miss, they need to leave the ball near enough to the target to be sure of holing at the next shot (perhaps to force a play-off). The skill of holding two potentially conflicting thoughts at the same time is one which leaders can and should learn.

"A leader is a dealer in hope" according to Napoleon. However, if a leader paints a falsely optimistic picture where the brutal facts are not addressed, there are a number of possible damaging outcomes.

Staff who ARE aware of the facts will either assume the leader is not aware of them (damaging confidence in them as leaders); or secondly, they might assume the facts are being deliberately hidden from them (damaging the leader's credibility). Either way, engagement and morale will suffer as leaders lose their all important authenticity.

If staff are NOT aware of the facts and the leader does not address them, the issues that will get in the way of success will never be dealt with.

As a tool, we need look no further than Martin Seligman's work around 'Learned Optimism', focusing on how people explain failure. Taking Seligman's model, we can apply this to describing any situation we face, not just in dealing with failure. Face the facts, yet make them:

- **External rather than internal** – i.e. we can distance ourselves from them
- **Temporary rather than permanent** – i.e. they don't have to last forever
- **Specific rather than general** – i.e. they don't pervade everything we do

Face the brutal facts, yet retain the faith that we will prevail.

This allows leaders to address the very issues that stand in the way of success in a way that protects and nurtures confidence that they can indeed be overcome – something that is necessary for that faith to be borne out in reality.

Consider these 2 examples:

"We (Internal) have lost market share because we have never (permanent) been very good at connecting with the clients (general). It's something we continue to struggle with and if we don't improve, business will suffer further."

"Market share has been taken from us because our competitors (external) have been clever in really connecting with clients. We need to spend more time finding out their real needs (specific): With hard work and a good plan we will change this (temporary)."

Same facts – Different message.

The next time you have to give a difficult message to staff, make sure you get the facts on the table, but keep them external, temporary and specific.