



SOCIETY OF ACTUARIES

Article from:

The Stepping Stone

October 2005 – Issue No. 20



A Twelve-Step Program For Management Effectiveness

by Vincent J. Granieri

Background

This article examines the application of twelve-step programs to managerial situations. I was once told, in a company-sponsored management development program, that effecting true and lasting changes in oneself is so difficult that only 5 percent of the population can actually do it. That seems like a very low percentage. Everyone knows someone who changes as a result of a stint in the armed forces or participation in an academic program. In a way, those changes are not voluntary, however. Part of the indoctrination into a group includes refocusing away from self and the redefinition of self as being part of a team. The group dynamics are unmistakable and predictable. These types of programs change group behavior, but not necessarily individuals.

Before we examine twelve-step programs, let's spend a few moments deciding the circumstances under which one is needed. The most telling red flag for a manager is lack of communication from their associates or consistent one-way communication where the manager does all the talking in meetings. This suggests that subordinates are not comfortable communicating with their manager. Ramifications of this are legion, including the increased likelihood of career killing, negative surprises. If a manager does not receive meaningful two-way communication, intervention is needed.

A manager also might be concerned if an individual's communication style is significantly different from most others on their team. An extroverted manager in a group of introverts, for example, may tend to dominate meetings and other group settings. Introverted managers may find that their teams feel disjointed and alone; that is, if the introverted manager would stop working and instead, communicate with the team.

Another situation that calls for closer attention is that of recurring subpar performance

despite a manager's repeated attempts to remedy it. The manager feels that the problem has been addressed, but it still comes back. Same problem, same tactic, same results! Something needs to change.

Twelve-step programs are focused on individuals, although the support of others is evident in them. They boast a much higher success rate than 5 percent. Some would attribute that success to the desperate situations that bring people into these programs. Before you discount the need to take a twelve-step approach to your management issues, consider that your performance as a manager is a situation that is paramount to your career and well being, in which you have only a 5 percent chance of improving by yourself. Sounds like a pretty desperate situation to me.

Twelve-Step Programs

The challenges of dealing with addiction and other extreme behavior have led to the development of twelve-step programs. Part of the solution to these challenges lies in the recognition of their root causes, which often date back to childhood. Now, this is not to say that most managers exhibit extreme behavior, but it is clear that many of us are disproportionately impacted by "managerial events" that occur early in our career.

Another interesting parallel to real life occurs in our business life. As much as we wish to deny it or ignore it, in life we tend to repeat the behavior, both good and bad, learned and observed, of our parents. At the office, replace "parents" with "managers." If a manager tends to repeat the behavior of his or her manager, hopefully their early managerial influences are positive. Otherwise, this creates a cycle of failure that passes through generations of managers.

(continued on page 6)



Vincent J. Granieri, FSA, MAAA, EA, is president with Integrated Advantage Consultants, Inc. in Cincinnati, Ohio. He can be reached at Vince@integratedadvantage.com.

A Twelve-Step Program For Management Effectiveness • from page 5

Twelve-step programs were developed to provide support and encouragement over the extended period of time necessary to overcome whatever challenges that arise and break the cycle of failure. Often the road to success is marked with both positive progress and backsliding into old habits. The path to managerial effectiveness will likely entail the same two-steps-forward-one-step-backward experience. Much of the battle involves staying committed to remaining on the path. Based on these parallels, it may be useful to apply twelve-step concepts to managerial issues. Let's examine the twelve steps in more detail:

1. **Admit we are reluctant to change and tend not to change. Change is no fun.** Change is uncomfortable. Our comfort is what it's all about, right? Sorry. We have since learned that our high school coaches, who constantly preached, "No Pain, No Gain," were wrong when it comes to physical conditioning. However, that concept does apply to eliminating destructive behaviors and habits. It hurts to change and most of us would rather not. If we are to successfully correct our bad managerial habits, we must first admit that we'd rather not and then realize that we probably won't without significant effort on our part.
2. **Believe that change is possible.** Some of us are so entrenched in our habits that it seems impossible to change. I've heard many times, "I'm too old to change." Not so... unless, of course, we need an excuse. As the old Sicilian proverb says, "The best way to eat an elephant is one bite at a time." As noted in Step 1, it will take time and commitment, but it can be done.
3. **Decide to change.** There must be a clear point of departure from the status quo, a watershed event. A decision to slowly move toward the right direction is too vague to be effective. Commitment is a necessary (but not sufficient) condition for change.
4. **Take inventory.** Are you getting the desired results from all your interactions, methods and activities? Probably not. To determine which step to focus on, take stock of the situation. Openly, this means bringing other folks in on the process and seeking feedback. It could also mean utilizing some sort of evaluation tool, such as Strong-Campbell. The goal is to identify the particular behavior that is causing the unintended results in your managerial life.
5. **Admit our wrongs to ourselves.** This step is difficult. When you find a link between your behavior and its negative consequences, you need to admit you are wrong. This is the first step of accepting responsibility for your actions.
6. **Be open to change.** At this point, you may be wondering how this is different from Step 3: decide to change. Borrowing from a common expression, "Deciding to change is the talk, being open to change is the walk." How many times has someone made a strong statement of commitment, only to fail to back up that statement with action? If you have participated in any formal group, personal development programs, for example, an employer-sponsored initiative, you know that virtually everyone publicly supports the program. In reality, there are some whose support is only verbal and some who will try to undermine its success. In choosing to walk the talk and look for opportunities to change, you are opening the door to growth and development.
7. **Ask for help.** It's entirely possible to effect change by oneself, perhaps through objective self-examination, however it is a difficult path. Often the perspective of an advocate or compassionate outsider is a catalyst to change. Asking for help is useful in at least three ways. First, verbalizing your commitment to others is motivational. Second, an outside perspective may be more objective than one's own. Finally, if

Often the perspective of an advocate or compassionate outsider is a catalyst to change.

the advocate has some expertise in management development, your progress could be accelerated.

8. **Make a list of people you have harmed or situations that you have not handled properly.** This is where the rubber meets the road. As actuaries, we are comfortable doing analysis, but we often confine ourselves to numerical analysis. This step involves a different type of analysis: analysis of our actions. This is where an advocate from Step 7 can be very helpful.
9. **Make amends to those people.** Three of the most powerful phrases in personal development are: "I'm sorry. I was wrong. Will you forgive me?" Unfortunately, these powerful words are not used often enough. If you are like me, you do not look forward to apologizing for your wrongs. At one time, being apologetic was seen as a weakness in a manager. That time has passed and it is fair to judge the quality of a manager by the quality of their relationships. In every relationship, the parties harm each other at some point. In the successful relationships, the parties find ways to communicate with one another and reconcile their differences.
10. **Continue to inventory our errors.** Once we begin to focus on improving our bad managerial behavior, we likely will experience early, positive progress. To ensure that this progress continues, it is helpful to commit oneself to frequent, consistent periods of evaluation. After all, the improvement process is a journey, not a destination. Absent such continuing effort, our tendency is to return to our previous behavior in a sort of non-numerical reversion to the mean (that is, reversion to being mean). This is a more obscure definition of mean reversion.
11. **Think about the behavior you are trying to change.** This step is really a continuation of Step 10 as it involves a further commitment to introspection. The important difference is that it is proactive in nature. While Steps 8-10 involve looking backward

to identify mistakes and make up for them, this step encourages us to look forward. If we successfully identify situations where we are likely to repeat bad behavior, we can prepare for those situations and hopefully avoid behaving badly.

12. **Help others and spread the message.** We all have heard jokes about the zeal exhibited by people who have overcome a bad habit such as smoking. The ex-smoker is often less tolerant of smokers than someone who has never smoked. Managers who successfully overcome their bad behavior may not need to be encouraged to look outward, but it is a healthy sign. This perpetuates the positive process and creates a cycle of success through the influence a good manager will have on their associates.

It's interesting that the twelve-step process comes full circle. In the beginning, the focus is internal and retrospective. At the end, it is external and prospective. It is a perpetual process whereby one generation's students become the next generation's mentors. This process then repeats itself over and over again.

Concluding Thoughts

Some of the twelve steps have broad applicability in a managerial setting whereas others may not fit so easily. However, the process itself is a useful template to eliminating unproductive managerial behavior and improving effectiveness. The great success of twelve-step programs suggests they contain wisdom and are credible. □

