Tough Love
Driving Results Through Accountability

Presented by
Greg Bustin

“Hearts” by Jim Dine
GREG BUSTIN helps leaders increase their effectiveness.

Greg led the Dallas office of an international consulting firm to unprecedented levels of success before founding his own management consultancy in 1994.

He has walked in the shoes of CEOs. And he’s worked with leadership teams at Fortune 500 companies such as Burger King, OGE Energy Corp., PepsiCo, Nextel, Nucor, TXU and Trammell Crow Company planning and executing initiatives that delivered results.

Today, he works exclusively with CEOs and their leadership teams at Vistage-sized businesses and not-for-profit organizations helping them increase their effectiveness.

In 2004, Greg published his first book on leading in times of change, and in 2005 he became a Vistage Chair. As a Chair, he leads two CEO groups and a Key Executive group. He was recognized as a Master Chair in 2010, and received the Chair Excellence Award in 2008 and 2009.

He speaks to Vistage groups and conducts leadership workshops and strategic planning sessions throughout the U.S., Canada and Europe. He has led nearly 150 strategic planning sessions.

Greg’s views about effective management and leadership have been published in The Wall Street Journal, Financial Executive, The Journal of Corporate Renewal and elsewhere. His second book – Lead the Way – examines the critical steps of effective planning and execution and was featured in The Dallas Morning News. His new book is That’s A Great Question, and he’s at work on a book about accountability.

He and his wife Janet live in Dallas and have one daughter, Jordan.

Contact Greg at 214.720.3707 or at greg.bustin@bustin.com.
The biggest problem in business

The biggest problem in business is ________________________________.

Paradox #1: _________________________________.

- 3 -
No written plan = No accountability

- 4 out of 5 businesses don’t have written plans

- Of the 20% with plans, only 1 in 4 integrates it into daily operations  
  (Source: American Marketing Association)

- Only 3% of executives rate their company “very successful” at executing their plans, while 62% rate their companies “moderately successful”  
  (Source: American Management Association)

- Among 1,077 companies over 10 years, only 9 (< 1%) achieve superior performance in revenue and profitability  
  (Source: McKinsey)

- More than 1,500 Vistage CEOs and Key Execs cite “lack of accountability” as the greatest threat to achieving their objectives  
  (Source: Bustin & Co.)

Plans fail for three primary reasons:

1. ____________________________  ___________________________
2. ____________________________  ___________________________
3. ____________________________  ___________________________
Accountability

Taking the personal responsibility to do what you say you’ll do within the timeframe you’ve agreed to do it.

The key to accountability: ____________________________________________

Insight: The greatest satisfaction for my team is _______________________.

Paradox #2: _____________________________________________________.
Learning from winners

Why these companies?

1. A culture of accountability transcends ____________________________
   ______________________________________________________________

2. They all started ______________________.

3. Consistent ____________________________________________________.
7 pillars of a culture of accountability

- Character
- Unity
- Learning
- Tracking performance
- Upward trajectory
- Recognition / Reputation
- Evolving
Culture of Accountability

**Character**
Our values are clearly defined and communicated. Values shape our character: Doing what’s right for our customers, employees, suppliers and investors…even when it’s difficult.

**Unity**
Every employee knows and supports our mission, vision, values and strategy and knows their role in helping to achieve them.

**Learning**
We are committed to continuous learning so we invest in ongoing training and development.

**Tracking**
We have reliable, established systems to measure the things that are most important to us.

**Upward Trajectory**
We consistently outperform ourselves.

**Recognition / Reputation**
By recognizing performance (good and bad) we are building and sustaining a reputation as an organization that people want to engage with.

**Evolving**
We continuously adapt and change our practices to grow our marketplace leadership position.
Process for driving accountability

**EXPECTATIONS**

- Agree on current situation
- Agree on vision
- Agree on priorities
- Agree on actions
- Agree on accountability
- Agree on consequences

Our Written Plan

“Thought is action in rehearsal.”

~ Freud
Who are we? The Identity Pyramid™

Clarity around these issues will inspire greater loyalty, improve productivity and increase revenue and profitability.

Our best customer
How we deliver on promises
Our personality
Why people buy from us
What we do best
Our mission
History & Values

Paradox #3: ____________________________

You know these issues. How will your team respond?
Character – leadership action

Take a fresh look at our values

1. Are they in writing?
2. Do our values look like everyone else’s or do they describe our distinctive personality?
3. Are they easy to understand, simple to remember?
4. Do they reflect our real behavior?
5. Do our values serve as a filter for hiring?
6. Do we promote people based on how their performance aligns with our values?
7. Do we rely on our values to address under-performance?
Unity – leadership action

Decide how much information to share

1. What information will we *not* communicate?
2. Is the behavior we expect aligned with the consequences (rewards + penalties) of performance?
3. Does everyone know what is expected of them?
4. How often will we provide updates on progress?
5. What methods of communication are most effective for our different stakeholders?
Learning – leadership action

Remove barriers hindering performance

1. Do we ask our people “What do you need to be more effective?” on a regular basis?
2. Have we turned our org chart upside down to ask those on the front lines how we can improve?
3. When did we last ask “What’s not working?” and then act on it?
4. How do we share information to replicate success?
5. Do we provide real-time feedback on good and poor performance?
6. Have we mapped career paths for everyone in our organization?
7. Do our employees know that they own their career?
There is a direct correlation between the amount of time it takes to confront an issue and the energy required. Initiate the tough conversation sooner. It requires less energy. You’ll both feel better. And at least one of you will be more productive.

Source: Ole Carlson
Tough Love: The conversation

“Help me understand how you see the situation.”

“What do I – your supervisor – have wrong?”

“Are the expectations clear?”

If you could do it again, what would you do differently?”

“What can I do to help you achieve the expected result?”

All players must understand established standards and expectations…

All leaders must measure performance against those standards.
Top 10 performance hurdles

“Good leaders create a vision, articulate the vision, passionately own the vision and relentlessly drive it to completion.”
  ~ Jack Welch

“When all is said and done, more is said than done.”
  ~ Lou Holtz

1. Goals fail to address meaty issues or they’re unattainable
2. Goals are poorly defined and lack clarity
3. Lack of real commitment to the plan
4. Lack of clear responsibilities with the right people
5. Wrong people in right positions…or right people in wrong positions
6. Lack of money to execute the plan
7. Lack of time to execute the plan
8. Lack of discipline to execute the plan
9. Failure to establish and enforce performance consequences
10. Changing market conditions
You can teach Skill but not Will

- Train
- Reward
- Terminate
- Coach

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### Consequences: Rewards + Penalties

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<th>Penalties</th>
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<td><strong>Money</strong></td>
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<td><strong>No/Low-dollar rewards</strong></td>
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<td>- Flowers</td>
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<td>- Day off</td>
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<td>- Shout-outs</td>
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<td>- Gift cards</td>
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<td>- Celebrations</td>
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<td>- Lead a project</td>
<td><em>TRUST</em></td>
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<td><strong>Pre-Existing Conditions</strong></td>
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<td>- Base</td>
<td>1. Written plan</td>
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<td>- Bonus</td>
<td>2. Great people</td>
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<td>- 401k</td>
<td>3. Training + Development</td>
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<td>4. Feedback</td>
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<td><strong>No/Low-dollar rewards</strong></td>
<td><strong>Addressing Under-Performance</strong></td>
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<td>- Flowers</td>
<td>1. Revisit expectations + consequences</td>
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<td>- Day off</td>
<td>2. Diagnose + Corrective action</td>
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<td>- Shout-outs</td>
<td>3. Time</td>
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<td>- Gift cards</td>
<td>4. Celebrate or Separate</td>
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*Icentives drive behavior. Incentives don’t drive passion.*
Recognition/Reputation – leadership action

Recognize and address the **Good** + the **BAD**

1. How do we celebrate milestones and victories?
2. Do we know how individual employees want to be rewarded?
3. Have we tailored our monetary and non-monetary rewards accordingly?
4. What’s our process for determining if under-performance is a “skill” or a “will” issue?
5. How easy or difficult is it in our culture to speak truth to power?
6. How much time am I willing to invest in an under-performing employee?
7. How much time can the organization afford to invest in an under-performing employee?
What one change can you make to create the most significant positive impact on your organization’s performance in the next 60 days?
A Culture of Accountability

1. Right things done the right way for the right reason by the right people
2. Meeting or exceeding short- and long-term objectives
3. Increased revenue
4. Increased profitability
5. Improved efficiency
6. Low turnover/High commitment
7. Accountability is shared, it’s not a top-down edict
8. “Best Place to Work” halo
9. Effective responses to change and adversity
10. Taking time off, trusting that the business will perform at high levels
What commitments will you make?

“The common denominator of success - the secret of every person who has ever been successful - lies in the fact that he or she formed the habit of doing things that failures don’t like to do. It’s just as true as it sounds and it’s just as simple as it seems.”

~ Albert E. N. Gray (1940)
Free Tools + Recommended Reading

Free tools at www.bustin.com/resources including:
- Identity Pyramid™
- The Secret of Success
- 7 Fs (a personal goal-setting guide encompassing seven significant areas of life)
- “Is Your Organization Two-Faced?” (a study in accountability by Greg Bustin)

Recommended reading:
- Lead The Way: Charting A Course to Win by Greg Bustin (Wheatmark, 2008)
- That’s A Great Question by Greg Bustin (Wheatmark, 2011)
- Seven Habits of Highly Effective People by Stephen Covey (Simon & Schuster, 1989)
- Managing for Results by Peter Drucker (Harper Collins, 1964 and 1986 [revised])
- Small Unit Leadership by Col. Dandridge Malone, USA (Retired) (Presidio Press, 1983)
- Built To Last by Jim Collins and Jerry Porras (Harper Collins, 1994)
- Five Dysfunctions of a Team by Patrick Lencioni (John Wiley & Sons, 2002)
- Fierce Conversations by Susan Scott (Berkley Books, 2002)
- Start With Why by Simon Sinek (Portfolio, 2009)
- Drive: The Surprising Truth about What Motivates Us by Dan Pink (Penguin, 2009)
- Winning Every Day by Lou Holtz (Harper Collins, 1999)