The **Magic** of
Inside-Out
Transformation

*—The Unforced Path
to Organizational Greatness*

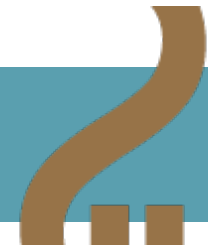# Contents

Overview

The Magic of Inside-Out

Organizations are living things. In many ways, they are like children. And you, the CEO or leader, are like a parent.

Like children, organizations are born through struggle. Like babies, they are even given legal names. Forming a company as a corporate entity gives it even more persona in the eyes of the law— it is treated as a separate entity, as if it were a person. And as a child organization grows, it tends to take on the attributes of the founder (parent), just as a child resembles its father or mother.

Overview

Like a child who must first learn to rollover, crawl, and then walk, an organization child grows as well. It usually stumbles trying to figure out what business it is in, and how it will "roll".

Like a person, your organization needs nourishment and care in order to improve its ability to do whatever it is that you do (we will call this "performance capability"). Like a child that learns to recognize its own hands (assets), and learns how to use them to make things work, your organization develops the motor skills and processes to do things better over time.
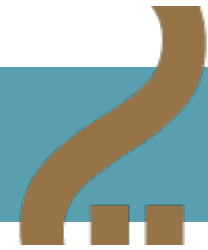
It slowly achieves the ability to talk (collaborate) and configure surrounding environments (work/play). It starts to respond to painful experiences by recognizing current processes and finding ways to improve them. It gets smarter and begins combining superior muscle strength with a superior level of knowledge and skills to create better and better results.

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Overview

Once we see organizations as living things, it makes sense in our minds to envision them slowly growing in the capability to move and perform, just like children. Have you ever thought of your organization as a child? What do you imagine the age of your organization might be right now, and what level of maturity do you think it has?

Over time, your organization develops attributes that are physical (facilities), emotional (culture), mental (knowledgebase), social (PR/brand), spiritual (vision/values), and even a net worth—as if it were a person.
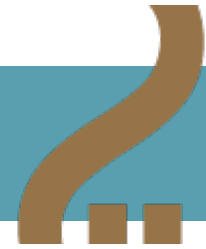
Without emotional care, your organization will "act up" and rebel, just like a child. When not fed well, your organization will get sick and anemic, just like a child. And if core needs are neglected long enough, your organization will eventually die.

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And yet the opposite is also true! Given enough time and nurturing care, the intelligence and maturity of your organization can even supersede that of any individual member.
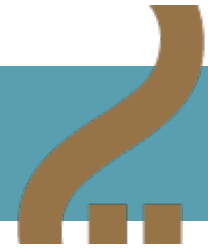
But this is easier said than done, because unlike children, organizations have a size and maturity that cannot be discerned just by looking at them. (This is the value of maturity assessments such as ITIL, OPM3, and others... they give leaders an objective picture of the maturity of their organizations.)

Take the example of an online organization with a distributed workforce that does business via the Internet. Looking at the organization's website or virtual storefront might not provide much information regarding their size and maturity. They might only have a few webpages, and yet behind the scenes they might have the maturity to deliver thousands of orders and process hundreds of customer support tickets every day.

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In contrast, consider the brick-and-mortar business in a fancy office downtown. It might look very official and mature on the outside, and yet it may be an organizational two-year old—with few capabilities or structure in place to support customers, provide services, warehouse knowledge, produce products and services, track time, complete projects, leverage technology, etc.

We tend to have compassion on children when they can't perform at an adult level. This sounds obvious, yet we are sometimes not so kind to our children organizations. With no external indicators, we can easily imagine that our organizations are more mature than they really are, or expect them to perform at levels that are not in sync with their actual capability. And then we wonder why our organizations aren't "performing well". We would never wonder this if we were dealing with a child that was obviously not mature enough for the task.

Startup Founders encounter this conundrum all of the time. An effective Startup CEO will usually make a few dozen sales to start the cash flow (blood) of their business going (pumping). From there, it's easy to believe that acquiring more customers, orders, or sales will continue the growth of the business they started. Yet achieving sales is an external activity that brings pressure to a company from the outside in, and has nothing to do with building the internal capabilities needed to process, support, and deliver whatever the company is selling.
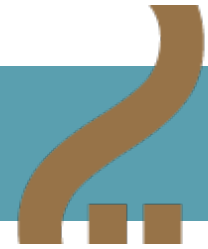
Without the internal structure to support the pressure of more and more sales, orders, and employees, Startup CEOs can easily arrive at the ironic state where they cannot grow without imploding. They get stuck at a few $million/year in revenue, and then wonder why they can't get past that ceiling.

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If they never find the answer, they end up working too hard in an effort to manage the growing chaos and eventually decide to leave their organization "baby" to start all over again building another startup (which is why so many Startup Founders are serial entrepreneurs).

If "selling more" is the only growth card we know how to play, we can become blind to the internal structure and capabilities of our business organism. Shifting our focus to maturing things from the inside out will take our organizations naturally to the next level.

Walk with me for a few minutes through the process of how you might take your organization to a whole new level, in a much easier way than you thought possible, just by seeing how things naturally transform from the inside out.

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Unlike actual children, organizations are not limited to a physical size. With the right kind of support and internal structure, our organizations can grow naturally to any size or capability level that we wish.

We just need to follow the natural process that organizations go through as they grow up and mature. Because, just like children, they grow up internally in fairly predictable ways.

By aligning ourselves with the laws of the universe that already work in growing organizations, we stop trying to reinvent the wheel and begin maturing our organizations step by step, foundational layers first, from the inside out.

Introduction to the LEEP Model

The LEEP Model is a framework for achieving inside-out leadership transformation and organizational growth.

The overall goals of the LEEP Model are to:
- *Encourage transformational leadership*
- *Promote Startup CEOs to Growth CEOs*
- *Grow internal structure and capability naturally*
- *Establish intrapreneurship and inside-out motivation*
- *Fully engage the workforce in creating value*
- *Permanently increase performance levels*
- *Make organizational improvement perpetual*
- *Transform organizations from Good to Great*

LEEP takes the mystery out of why some organizations have succeeded in moving from Good to Great, whereas others start to sputter after a successful startup.

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(L) Leadership

Leadership is the bedrock foundation that all other change is built upon. How you view your leadership role and how you lead (where you place your focus and efforts) will determine whether you succeed in your quest to create a high-performing organization from the inside out. All positive change starts from the inside of you!

(E) Empowerment

Becoming the best leader you can be involves helping your own leaders become the best they can be. And as they focus on growing their own people, and so forth, your culture and environment will change. Enabling leadership creates empowered employees that are internally motivated to create value.
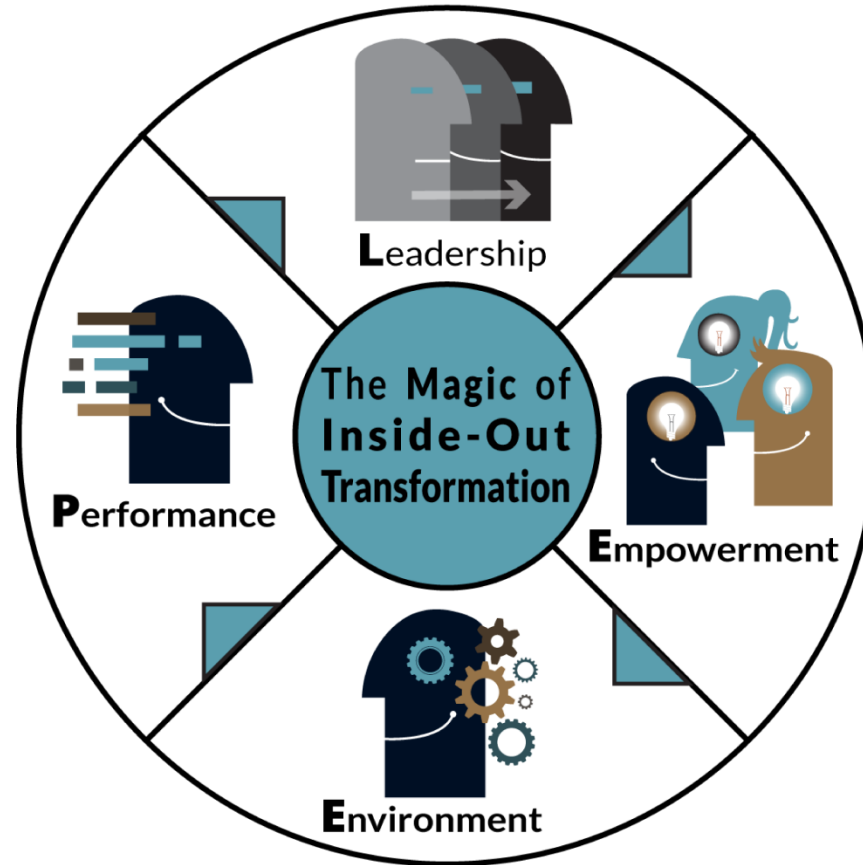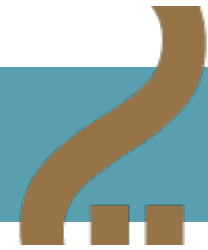
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(E) Environment

Motivated employees that want to create value will demand improvements to their working environment and toolsets. This is where content management, social intranets, communication and collaboration tools, and other environment enablers become useful. And since they are pulled by employees, they are naturally adopted.

(P) Performance

With great leaders, positive culture, and an enabled environment, creating enterprise performance is now simply a matter of directing energy that is already present. You have now earned the influence to enlist the help of a fully-engaged workforce in accomplishing goals that create success for your organization.
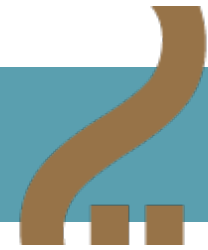
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Leadership

Take 10 seconds to think of how well your organization is doing right now. Then ask yourself, "Did I just see that status from the perspective of people who are outside the organization, or from the perspective of the people and processes inside?"

Startup CEOs are relationship geniuses. It is their ability to connect with people and align with customers that creates a business to grow in the first place. Yet at some point, at some level of growth, building internal systems and maturity becomes just as important.

Leadership

First, you can no longer lead all of it yourself anyway. Second, your organization will be limited by your own level of maximum capacity until you get out of the way.

You don't have to wait until your Board of Directors fires you and brings in a Growth CEO. You can begin to change your focus right now to look internally. You can fill your mind with questions about the empowerment of your people, the abilities of your leadership, the maturity of your operations, and the culture your people swim in every day. You can start spending your time building the inside of your company, instead of spending all of your time on the outside.
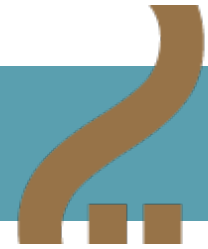
The key to becoming the strongest and most dynamic leader you can be may have nothing to do with your charisma or looks.

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You might be as ordinary looking as can be, and yet you always have the ability to be a servant leader. And servant leaders are the leaven within organizations.

You might be thinking, "But nobody ever taught me to lead in this way!" which is probably true. No worries. Like any change process, it can begin right now. A great way to start is by seeing your role as more of a coach than a player.

Start "seeing" the world of those that you lead from their perspective—really thinking about what they need and helping them succeed in creating more value. If you do it right, they will model your behavior and do the same thing for the people they lead, and your influence will ripple down through the organization.
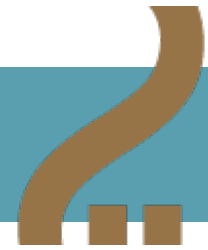
Leadership

You will find that the more you care about others, the more they will care about their role in the organization, and your success as a leader will skyrocket.

It all starts within you, as you decide to take a journey into deeper leadership that helps you perceive and experience everything in your business differently—from the inside out.

It's an incredible concept, really, because it puts all of the power into your hands to create significant change, without waiting for anything or anyone else to change.

CEOs usually find it difficult to believe that they could somehow be keeping their organizations from moving to the next level.
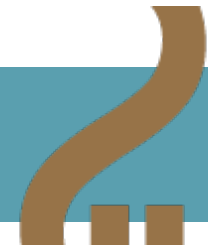
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Yet leadership is always the lever that unlocks the other changes required to create a high-performing organization.

> *"Everything rises and falls on leadership. Every endeavor that you ever undertake that involves other people will live or die depending on your leadership."*
>
> —John C. Maxwell, "The 21 Irrefutable Laws of Leadership"

Level 5 Leadership

People generally think "leadership" means someone standing up, leading the charge, barking commands, and driving things forward.
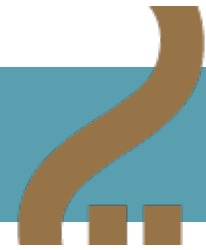
That kind of leadership worked fine in the industrial age when assembly lines prevailed and companies just needed "hired hands".

Today in the information age, that's pretty much exactly the opposite of what effective leaders need to do in order to tap the power within the hearts and minds of their employees.

Transformational leadership today is not about command-and-control; it's about bringing out the best within your people and helping them become leaders themselves. Leaders today who want to stay competitive in the new economy need to excel in empowering their workforce.

They will be experts at creating an intrapreneurial environment where every employee has their own internal fire that drives them, as they are being groomed to be leaders themselves—if only to be leaders *of* themselves.
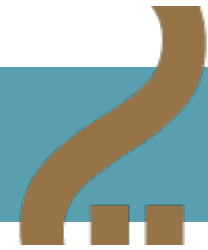
This miracle only happens when a leader understand how to influence more effectively.

In 2001, Jim Collins wrote an epic book called "Good to Great". He set out to discover why some companies had long-lasting high performance that blew away their competition consistently in the market (over 15 years straight).

What he found was that every high-performing company had a special kind of leader at the core. Both humble and motivated, he called them "Level 5 Leaders". These leaders were actually quite rare, because ironically they did not have the kind of personality that looked like a "leader".
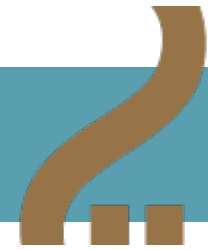
How can the best leaders not look like leaders? Maybe all along, we have had the wrong concept of what leadership means.

Leadership

Think for a moment, when you have a leadership position open and are looking at the available candidates for the best person to fill the job, do you look for those that stand out and appear to have a "take charge" attitude? People who can direct their peers and drive things forward, who know how to "get things done"? That would be a Level 3 leader, according to Jim Collins.

In the new economy, your organization will stall and could eventually fail if you fill your leadership positions with that kind of leader–especially if you persist in being that kind of leader yourself; because leading at that level will never tap the inner initiative and fire of employees.

Yes, the best leaders often don't even look like leaders, because they don't seek power. They don't need to be the leader to satisfy their own ego, they simply want to serve.
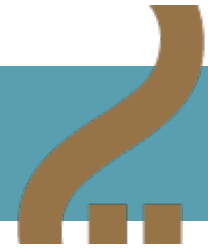
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Leadership

Like Abraham Lincoln, they can be as shy and awkward as they are influential. They have no need to be known and are much more interested in enabling their people and organizations to grow and succeed.

The best leaders within your organization are invisible until you have eyes to see them. They are usually found behind the scenes enabling other people to shine and succeed. That is why leadership experts refer to them as "servant leaders".

Many have written about this phenomenon, where deeper leadership creates such profound results. This knowledge seems to be flooding the earth, and a collective consciousness has begun to take hold.

The world of leadership has never seemed more poised for a collective upgrade. Here are some favorite books and authors on this topic that you can check out:

Leadership

"Real Power" by Janet O. Hagberg talks about the different levels of power, and leading with more authenticity and inside-out power.

"The 8th Habit" by Stephen R. Covey was written to help leaders bring out the potential in their people.

"The Servant" by James C. Hunter relates a tale of servant leadership that is focused on growing others.

"The World's Most Powerful Leadership Principle" by James C. Hunter demonstrates that leadership effectiveness and character development are one and the same.
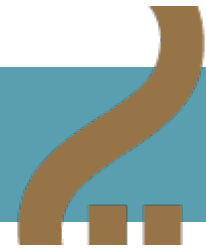
"Zapp!" by William C. Byham teaches leaders to empower their people through stewardship and trust.

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And if you search Amazon, you'll find over 600 other books on servant leadership. They're all talking about the same thing–leaders becoming more successful and effective by turning their focus to growing their people.

It's time to open your eyes to see the power flowing through your organization, and how it begins with you. Gain more self-awareness, and learn to see more objectively how your leadership style and focus influence others.

Ultimately, your paradigm will change and you will never be able to see your organization and employees the same way again.
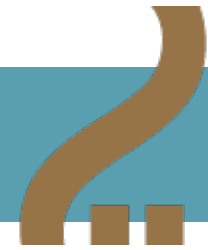
Leadership

(L) Leadership is only the first of four phases, yet you can't skip it, because everything else depends on it.

> *"It's time for a major shake-up in the nomenclature of business. What if CEO stood for "chief enabling officer"? What if that CEO's primary role were to nurture a breed of intrapreneurs who would grow into tomorrow's entrepreneurs?"*
>
> *— Richard Branson*

Once you become a servant leader within your organization, you will be amazed how everything else will begin to change automatically.
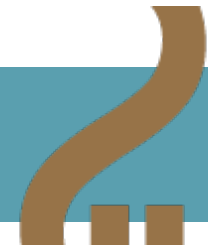
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Leadership

True and lasting change is always inside-out. Change the root, and the branches and leaves follow. It's the "private victory before the public victory" principle that Steven R. Covey talks about in his book "The 7 Habits of Highly Effective People."

> *"For every 99 hacking at the leaves of evil, there is one hacking at the root."*
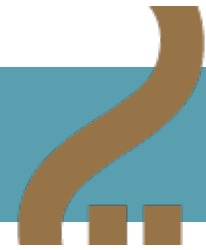>
> *— Steven R. Covey*

Your leadership is at the root of everything good and evil at your organization. Luckily, as the CEO, your leadership is completely under your own control.

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Leadership

Unlike other things, this will never change. Technology will continue to advance and reduce the cost of creating business efficiency. Operations will continue to become more streamlined, with more areas eliminated entirely through outsourcing. Yet long-term organizational effectiveness will always be built upon the foundation of superior leadership and an empowered workforce: leaders who know how to empower their people past the level of performance they can be paid for.

Will your people willingly give more from their hearts than the minimum required? Will you lead them in a way that earns their loyalty and trust?

Or, will you ignore their minds, hearts, initiative, and development, throwing away the deepest power you have available to create exponential results?
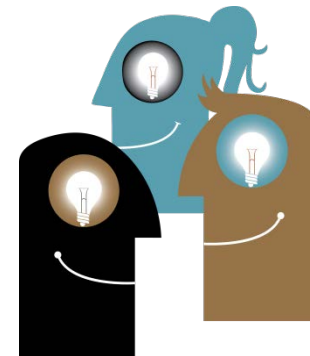
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Leadership

As the top leader with the most power to distribute, you can do more to improve your organization by changing yourself than by changing anything else.
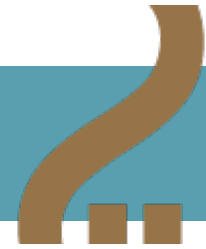
Take some time away from the whirlwind of everyday life to invest in deeper leadership, and watch the rest of your organization automatically move to the next level, from the inside out.

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Empowerment

Chief Executive Officers are leaders for a reason. In most cases, they are driven, goal-setting, results-oriented workers who know how to get stuff done. They are often "star players" and expert at one or more areas of the business, which has helped them to succeed.
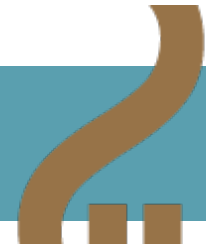
These are the very skills and attributes that help their organizations start up and survive during the first critical years when resources and employees are scarce. And yet, the same leadership skillset they used to initially build their company is not the same skillset they need to move their organizations to the next level.

Empowerment

All the power your organization needs to succeed and move to the next level is already in you, if you know how to tap and direct the flow. Power flow through an organization is a very real thing, starting with you, the CEO. Once you understand how to wield that power differently, as the source or font of that power, the more you can control and direct it to energize and lift your organization.

Example: "focus" is one way to direct power. Most leaders are focused on results. End of month reports may help you know if your organization is succeeding, yet those statistics rarely serve as an effective motivator for employees. If you focus on results over people, they may end up feeling less important than the results you task them to produce, leading to even less production in the future.

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Empowerment

What if delegating was wrong no matter how you did it? The call to carry a burden should come from within the individual carrying it. Using the principles of Reverse Delegation, you can actually help your people achieve success in the best ways *they* can imagine. You become the person helping them succeed, as they find innovative ways to create value in their role.

By deepening your ability to introject, imagine, and intuit, you will become an enabling leader that empowers others through a combination of accountability and support.

Your ability to foster the fire within each person will set your workforce on fire and create the kind of productivity culture that most CEOs only dream of.

Most leaders don't know how to lead in a way that creates employee engagement.

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Empowerment

In fact, [80% of senior executives recognize that they have a serious employee engagement problem](#). That's an interesting statistic, because 80% of them also think their employees leave for jobs that offer more money!

About [80% of employees quit because of "negative factors in the workplace](#), poor management practices, and toxic cultures". Do we see a pattern here? We executives are looking for causation from the outside in, yet the root causes stem from the inside out.

The inside-out game is growing people. If our time and energy isn't wrapped up in growing our people, we're doing it wrong.

Organizations with legacy leadership styles are going to find it increasingly difficult to compete.

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Providing Oxygen Instead of Fire

One of the greatest expenses within any organization is human capital.
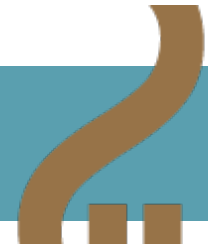
What would the value in your company be if your employees were 25–50% more productive--because they wanted to be?

And then what if they worked more intelligently, not just harder?

How many valuable products could you launch?

What kind of savings would come by reducing turnover so you didn't have to hire and train so many new people?
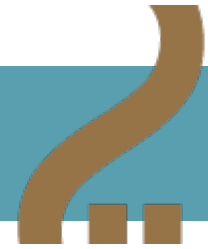
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Empowerment

How much more effective would your organization be if it could attract and retain the best employees available because of your positive and high-performing culture?

> *"75% of all business re-engineering efforts do not achieve their objectives or sustain themselves over the long term due to the lack of focus on the organization's culture."*
>
> *— Sreekanth Ramakrishman, IBM Center for Learning and Development*

Enabling a culture of continuous improvement starts by fostering each employee's inside-out initiative to improve. Instead of trying to "light their fire", which is insulting to any self-driven employee (the only kind of employee you want to have), you recognize that there is already a fire burning within them.

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Empowerment

You simply supply their existing flame with oxygen and then encourage them to channel their fire to the areas you can support as a leader (your organization's vision and goals).

Instead of telling them what to do, you expect each person to tell *you* how they can improve things in the areas they are responsible for.

It's about turning them into leaders who are more powerful than you are in creating value, because that's what leaders of intrapreneurs do.

In the (E) Empowerment phase, your increased focus on the care and growth of each leader on your team begins to spread to their teams, because they start to act like you.
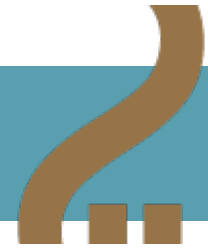
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They catch the "bug", and begin empowering their own people as well. They begin to see their role as Enablers, and this positive infection spreads down through your organization until each individual develops a reciprocal caring.

You cannot buy this inner fire within employees to contribute and create value, yet you can begin to invite and encourage it. As you succeed, production capability begins to skyrocket, generating the core power required for success in the next two phases.

Ironically, isn't it interesting that top performance is ultimately easier to attain with less of your own personal effort?

You will always be more effective empowering others than trying to lead with your own energy, because you are tapping into the power of each of your employees instead of trying to drive performance using your own.

Empowerment

Why not play coach while letting each of your players score the big successes? Empowering your leaders to accomplish things with *your* help will always supersede anything you could accomplish with *their* help.

You just have to sincerely care, and then *allow them to own the success*.

Inside-out empowerment of a workforce is breathtaking, because you are leveraging the power within each individual to create more empowerment themselves.

It's like lighting a fire that has the potential to light more fires, and keeps on burning indefinitely.
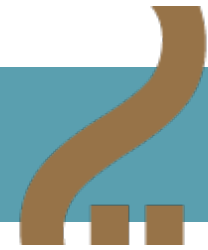
In this phase, you learn to foster this fire within others, while keeping its awesome power aligned with your organization's objectives.

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Environment

What if blowing past the competition had nothing to do with fancy moves, complex playbooks, or the latest tool or technology? What if a simple, down-to-earth focus on the basics could improve your performance better than anything?

The best leaders have proven time and again that when individual players align their performance with true and basic principles that govern success in their role, they consistently achieve high performance. Add to this the latest technologies that foster teamwork and options for virtualization and outsourcing as appropriate, and watch your entire work environment prime itself with capability for performance.
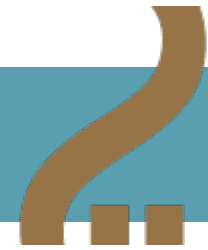
Personal Process Improvement

The Story of John Wooden

John Wooden is considered by many to be the best college basketball coach in history. As head coach at UCLA, he won ten NCAA national championships in a 12-year period—and seven of those wins were consecutive. Within this period, his teams won a record 88 consecutive games. He was named national coach of the year six times. (See [Wikipedia](#))
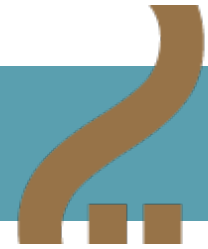
He did it by impacting his players far beyond the basketball court. He was concerned about their personal lives and developed a philosophy of living to help them attain success in all areas: mental, moral, physical, and spiritual.

Environment

His focus on their comprehensive development as human beings enabled his players to bring something more to the court when they played. His players knew that he cared, and they gave everything they had to win each game.

Mr. Wooden instinctively followed the first two phases of LEEP: ensuring that (L) self-leadership and (E) inside-out motivation empowered his players. He then entered the (E) Environment phase of LEEP by relentlessly focusing on improving process.

He would take each function of playing basketball, such as passing, dribbling, free-throwing, driving to the basket, etc., and examine it closely with his team. Then he would have them practice until they did that one thing perfectly.
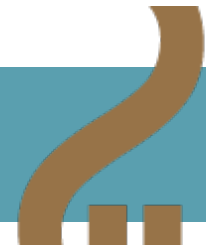
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Environment

As the story goes, the first thing he taught them was how to tie their shoes. I imagine this focus on the basics could have been viewed as insulting by the experienced college basketball players he was coaching. Certainly they knew how to tie their shoes!

Yet they found that when Coach Wooden focused on teaching them basic principles that underlay success in performing each basic process performed in basketball, they became extremely good at performing each one.

They learned to out-dribble, out-pass, out-throw, and consistently out-play the competition.

When they started winning every game, they began to see the wisdom of his focus on process improvement.
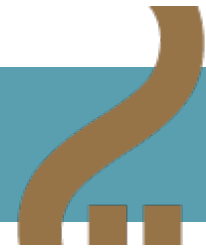
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Environment

Every person in your organization has activities and processes that are critical to their success. Most of them assume that they know how to perform their jobs.

For example, your leaders may assume that they know how to interview, delegate, conduct meetings, and give performance reviews.

Team members may assume they know how to organize their time, return calls, handle email, and many other things they habitually do every day.

As they become aware of their activities and reexamine them from the perspective of principles and best practices, however, personal effectiveness and performance will improve.

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Group Production Capability

At first, you might think that the more you hack at a tree, the more effective you will be at cutting it down.

Yet in his book, "[The 7 Habits of Highly Effective People](#)", Steven R. Covey says that true effectiveness is a function of two things: production (chopping) and production *capability* (a sharp ax).

> ""If I had eight hours to chop down a tree, I would spend six hours sharpening my ax."
>
> — Abraham Lincoln

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Environment

Working to increase production capability can be just as important as working to produce.

In support of this principle, you can introduce a new team role within your organization that will make all the difference in enabling long-lasting high-performance. The role is called the "Enabling Manager".

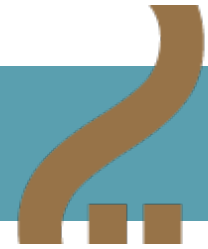## The Origin of the Enabling Manager Role

The Enabling Manager role was originally pioneered 15 years ago at Sprint with great success. Our team had an incredibly supportive leader that was focused on the growth and culture within our group. I kept seeing ways to enable our environment and improve our performance, yet had no time to implement those changes. I convinced him to take me out of my production-focused role, and instead allow me to focus exclusively on improving production capability.

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Environment

In this new role, I was able to dedicate myself wholly to internal structure and maturity—improving processes and systems, standardizing information and templates, implementing team-based collaboration technologies, enabling training, etc.

After two years, our team's production capability was far greater than other teams in our group. High performance flowed naturally and willingly from each team member, and was facilitated by the tools, boundaries, resources, and education that enabled their work environment and processes.

Our senior leadership noticed and we quickly became the model to emulate. They wanted to replicate our success by mandating that all of groups have an Enabling Manager (originally called "Environment Manager").
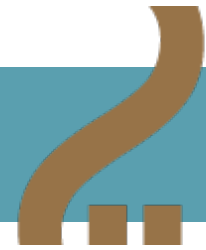
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Environment

They figured that if our team could produce at that level, all other groups should be expected to as well.

We had to explain why simply appointing an Enabling Manager wouldn't do the trick. They mistakenly thought that an Enabling Manager was a Project Manager - someone to crack the whip.

Yet we had grown our production capability from the inside out by following enabling principles of leadership. We had built relationships of trust with our people until they willingly gave more than the minimum effort required by their jobs.

And then we had enhanced those higher efforts with environment and technology enablers. Other groups could not be mandated to perform at our level, because our level had been grown from the inside out.

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The Enabling Manager role is a secret weapon–so secret that most team leaders don't realize they have the role available to them, or a person who could be filling that role sitting in plain sight in front of them. All they have to do is select the most context-perceptive person in their group and change their role and focus to be the enablement of the team's performance and capabilities.

Imagine that every team in your company had an Enabling Manager, with the responsibility to improve the environment that team members work in, and the processes that team operations are based on.

Their job is to facilitate everyone else's jobs and their work environments–not by doing their jobs for them, but by enabling them to do their jobs better, easier, more efficiently, and with increased effectiveness.

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Environment

They have to guard against the temptation to do for team members what they can do for themselves, or they risk becoming enablers in an unhealthy, co-dependent way (which is disabling, not enabling). If they are effective in their role, however, the value of their efforts multiplies as each enabled team member's effectiveness improves.

The (E) Environment phase is all about improving process and production capability, on both a personal and team level. You only want to encourage your team to perform, compete, and execute AFTER your environment is enabled, your processes are efficient, and your tools are sharpened. Pushing a team to chop down a tree before their axes have been sharpened will just wear them out faster. Enabling leaders are careful to employ Enabling Managers on a team level and process improvement on a personal level to ensure that their team has they need to succeed.
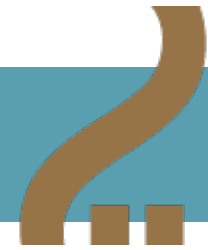
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Performance

Remember the story of "The Goose and the Golden Egg"?

During the first three phases in LEEP, you have been nurturing the goose and its environment. Yet even with an empowered workforce and a high level of production capability, your organization will fail if there are no golden eggs laid.

Companies must produce, perform, and execute as a team to succeed. The trick is to take this step from the inside out to avoid the push-back and destruction of innovation that otherwise becomes part of the process.
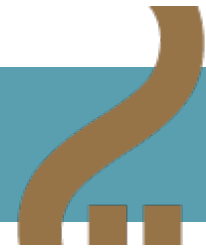
Performance

With your workforce on fire and your environment enabled, now is the time to build a framework for execution.

This framework helps each team become involved in the fulfillment of the organization's most important goals, helping each individual on those teams become accountable for the value they volunteer to provide.

Once the game is defined and the scoreboard is set, your players will start working as a team to consistently accomplish their goals. There is great power when your entire organization focuses on the same goals and plays to win the same game.

The (P) Performance phase is about building an execution framework. As you may already know, this can prove to be more difficult than it sounds.
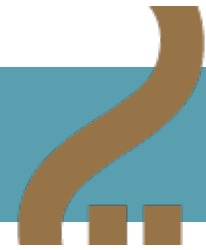
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Goal setting is the most frequently-used method for trying to get everyone on the same page. You probably set goals all of the time.

How is that working for you?

Traditional Goal Setting

Does this scenario sound familiar? Each year, you sit down with your top leaders and make goals to accomplish your most important objectives for the coming year. You take time to deliberate and choose carefully, because you know your organization has limited time and resources, and you know that meeting your most important goals is critical for your success.

As you review each major area of business and begin to develop these goals, you and your leaders begin to feel excitement because you can collectively see or imagine your organization in an improved state, and it seems possible

to get there. You have clarity and begin to hope that everyone else in the organization can see what you see.

As a leadership team, you draft the goals with the most positive and motivating language you can think of. You run the goals past all the departments to get their input, to see if they can improve on anything.

Once the goals seem to be supported by leadership on all levels, you solidify them, write them up for the year, and send them out– hoping that they will have a meaningful impact on the way employees exert themselves and focus their energies towards a limited set of priorities.
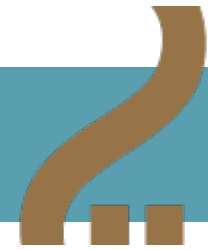
But then, life happens.

Somehow, while each person is engaged in performing their duties amidst the whirlwind of everyday operations and the constant change and challenges within the workplace, your goals are put on the back burner.

Sure, if you were to ask one of your employees if they remembered what the company goals were this year, they may be able to recite some back to you—maybe. Yet the hope of positive change and progress begins to be snowed under and obscured by the whirlwind of everyday challenges and competing priorities.

You know that goals that are not reviewed or remembered will never be achieved, so you begin to remind your organization of this year's goals.

You decide to ask for accountability by way of reporting, requiring each person or department to dependably report on their progress.
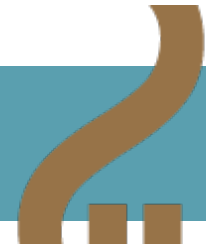
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Yet each time they report, they simply say what results they have (or usually haven't) achieved, and say they will try to do better.

You can tell that they sincerely want to improve, are feeling overwhelmed already, and are not looking forward to these "accountability sessions" where they are required to report their lack of accomplishment in reaching goals. The more pressure they feel, the more frustration you detect.

They have great desires to improve, yet they don't know what they can personally do to help the organization reach its goals. They (and you) begin to not look forward to these meetings.

You decide to stop pushing so hard, and drop back to become a support to them as they face their current whirlwinds.

Before you know it, the year is over, and the numbers show that the majority of your goals were not achieved.

Now you are faced with a decision: do you hold them accountable and broadcast the failure of each department individually and the company collectively to execute last year's goals?

Or, do you figure that the year is over and done with anyway now, and focusing too much on the past will do nothing to help morale or set a good foundation for achieving goals in the coming year?

You probably decide to let it go, and focus instead on the bright possibilities of the future, hoping this will inspire your teams to greater heights.

And so, the process starts all over again: you sit down with your top leaders to make goals to accomplish your most important objectives for the coming
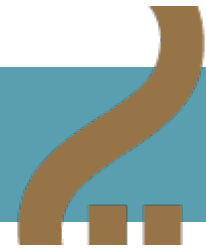
year, the year gets busy, the goals are forgotten, your organization is not achieving significant results, and you feel responsible as a leader for its nonperformance. Feeling crazy yet?

A Disciplined Framework

There is a better way. Most organizations have great insights into how to improve themselves, and have the best intentions for doing so. They simply lack an organization-wide execution framework that helps their people deal realistically with everyday whirlwinds while also carving out the time and priority to make real progress as a group toward the realization of focused goals.
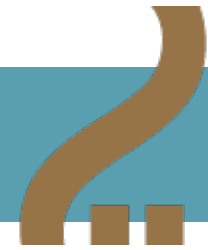
An effective framework for executing organization-wide is FranklinCovey's 4DX, as described in their book "The Four Disciplines of Execution".

4DX includes processes that you probably already perform, yet the unique order and execution of these disciplines helps you successfully execute.

> *"Without an operating system for executing your goals, no matter how beautifully designed your strategy, it won't work consistently. Even if you achieve results, you won't be able to sustain them, or surpass them, year after year. The 4DX process insures the precise and consistent execution of any goal."* — *Sean Covey*
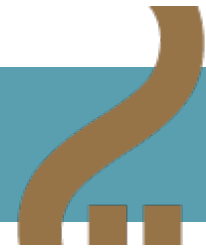
You might look at it as putting into place "the execution of execution". After the framework is in place, you can use it for years to operate your company at higher levels of performance.

4DX is only effectively deployed for (P) Performance when the previous three layers of LEEP are in place: trusted leadership and an empowered workforce, operating within an enabled environment.
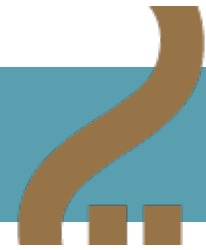
The authors assume that these other layers are in place, which is why organizations jumping directly to an execution framework may become frustrated when there is pushback from the organization.

Using the LEEP Model, you will have carefully built a 3-layer foundation that can now be used to successfully launch an execution framework—which can in turn be used to execute any performance improvement initiative that you desire. Creating a new foundation for execution at your company has its own execution strategy.

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Here is a summary of the four steps to 4DX:

1. **The first step is reducing the number of improvement initiatives your organization actively undertakes.** Not everything can be most important. In discussion with your top leaders, you identify what the top objective is going to be for your business for this moment in time (you will always have time to execute more initiatives later after you succeed with this one). The power of focus is huge, and the first step is establishing laser focus on a single objective.

2. **Next, you engage your organization and its leaders in finding the levers that will truly move your company to success in attaining that one objective.** By modeling the success of high performers in your company, you may be able to derive what these levers are.
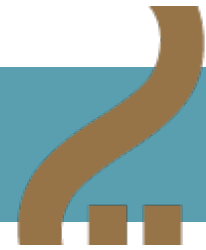
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Somehow, you will find a way to measure the performance of each individual in the company for their contribution in moving those levers (instead of trying to achieve the end objective). Ultimately, your teams will be looking forward towards actions they can personally influence (lead measures) instead of looking backwards in discouragement at data that is simply reporting what happened in the past (lag measures).

3. **The next step is publishing a reporting dashboard that is visible to everyone in the company.** People tend to play differently when someone is keeping score, and when other people will see that score. There is also the collective energy that can only aggregate when everyone feels like they're on a team, and they know if they are winning.

4. **Finally, the entire process of having meetings to review individual and team performance needs to be formalized.** You always have a meeting, and it's always at the same time, the same day, every week, etc. Relentlessly focusing on the problem within regular meetings on a consistent basis validates the importance of the initiative, helps everyone hold themselves accountable, and helps them work together. As soon as they begin to see the big objective start to move when their small levers move, they will feel empowered like never before. Something they have done personally has created success within the company! Nothing begets outside success like inside success.

Throughout the process, you are conducting individual and group meetings in a way that help team members become increasingly more motivated from the inside-out after each visit.

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Performance

By trusting them to deliver results and create value and by allowing them to hold themselves accountable within each meeting, you will mostly be listening as the rest of your organization performs.
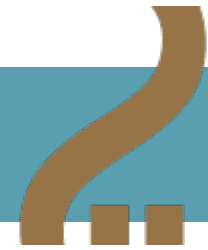
By stepping back to become a listening, encouraging coach, you will be helping each team member shine and develop new capabilities to produce. You will be using your power as a leader to create more leaders with power within your organization.

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Epilogue

LEEP implementation, culminating with the execution framework advantages of 4DX, will take your organization to a higher level, from the inside out.

And it will continue performing at that level as long as you follow the same true principles that got you there.

Watching your organization transform brings great satisfaction as a leader: watching your own leadership change, your organization's culture and environment change, and then your greatest goals met.
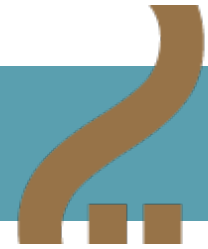
The only thing that might surpass that joy will be watching it happen for your leaders, who in turn have become successful in changing their own relationships and environments, and reaching their own goals.

Together, you will watch effectiveness ripple through your entire organization until it is transformed from good to great, from the inside out.

Over to You

Now that you have the 30,000-foot overview of what inside-out transformation looks like within organizations, what thoughts are going through your head?

Are you wondering if your specific organization, with its unique challenges, could really be transformed from the inside out?
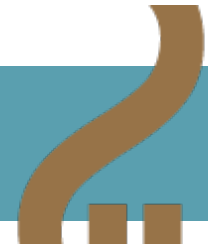
Are you wondering if you "have it in you" to become the kind of leader who can lead this big of a change?

Maybe you agree in principle with everything, but wonder where in the world you will find the time to transform your organization when you are already working more hours than you can stand?

And yet, you already know the answer to that one... if you spend no time on production capability (preventing fires), you will always spend too much time fighting fires. If you're working so many hours that you can't spend some time each week focusing on improving yourself and your organization, you're just speeding your way to complete burnout.
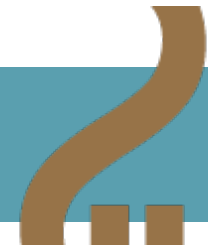
If this is you, your only hope is to *force yourself to STOP*, have better boundaries, and dedicate *some* of your time to the wellbeing of your company.

As far as resolving the other issues, let's face it--you will probably need some support. Organizational transformation is no small feat. Even your own transformation as a leader may seem like a solitary sport, but often times it's a team effort.

That's why I want to be sure you are aware of the coaching services, support workshops, and consulting offerings that are available to you through 2ndCEO. To learn more how we can help, please visit http://www.2ndceo.com/how-we-help.

We wish you every success as you transform your own organization from the inside out. We invite you to share your experiences with us at share@2ndceo.com.

Epilogue

What steps within LEEP are the hardest? Where do you personally get stuck? What other kinds of support and solutions would be most helpful in your situation? We want to walk with you in your journey!

Thanks again for reading this ebook. For more ebooks and articles on inside-out transformation, subscribe to our blog at http://www.2ndceo.com/blog/.

Wishing you all the best in your own transformation,

Sam Roberts
Founder, 2ndCEO.com

sam.roberts@2ndceo.com