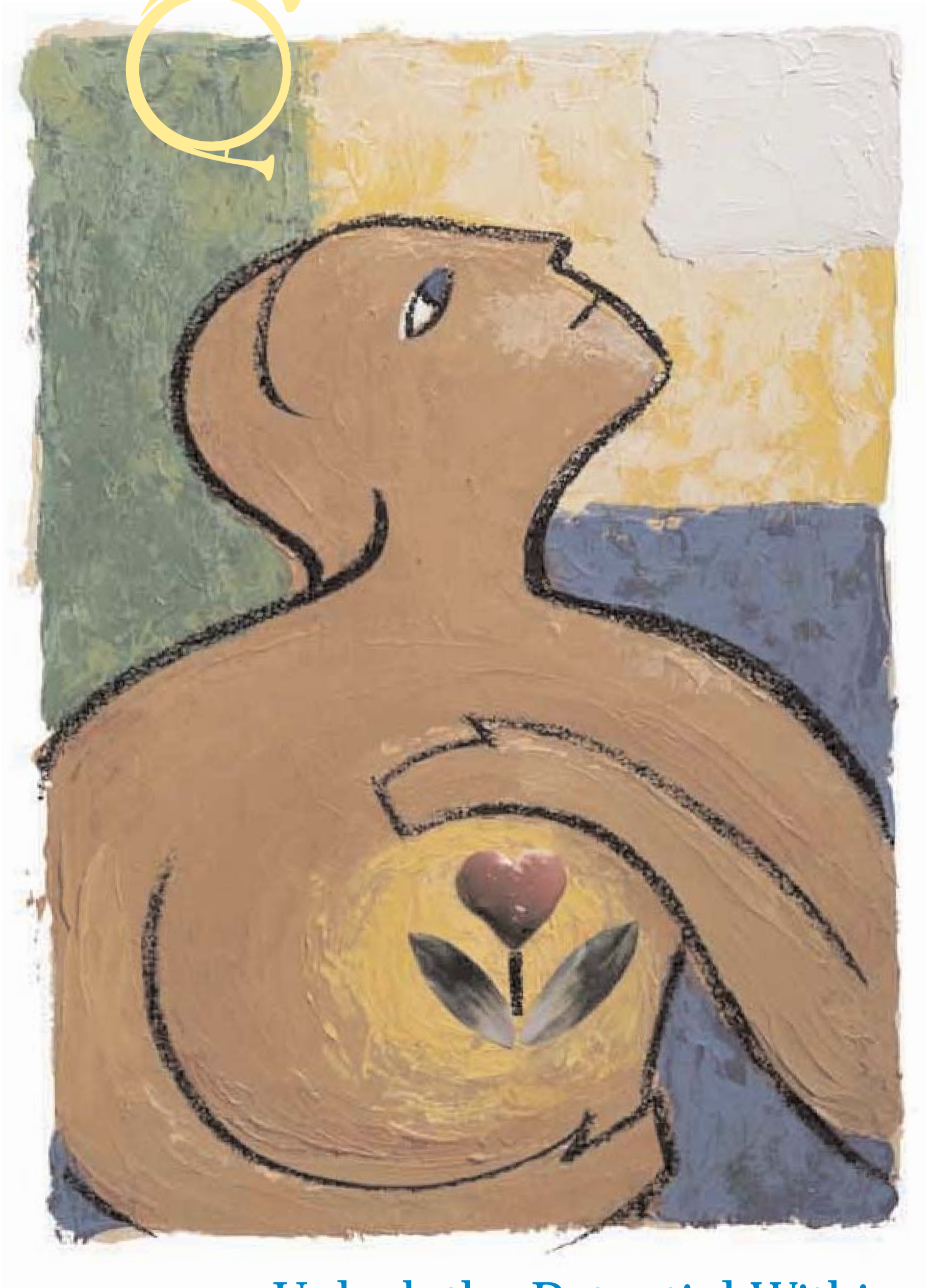


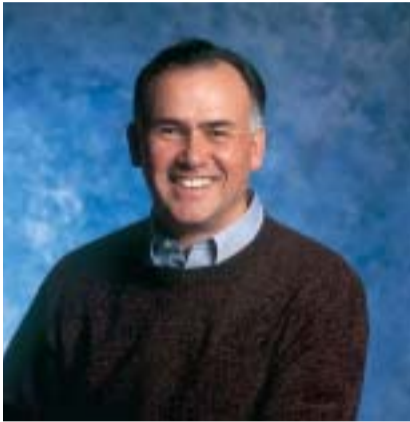
# THE CLARION CALL



Unlock the Potential Within

*Spring 2003*

The clarion is a musical instrument of the Renaissance. Renaissance music brought people together, helped solidify communities, and reflected optimistically upon the future. In ensemble, Renaissance musical instruments were a powerful metaphor for the notion of community, combining diverse sounds to create focused, harmonic melodies of enduring brilliance. The clarion symbolizes our commitment to simplifying organizational management and helping businesses build dynamic, sustainable, organizational communities for the future.



Bill McKendree, President

More and more, executives are recognizing the importance of considering the human side of the business equation. Concepts such as “behavioral economics” and “emotional intelligence” have become an integral part of the business lexicon.

The Clarion Group has long asserted the central role of behavior in an organization's operating model (*The Clarion Call* Fall 2000). Through our Behavioral Practice, we have pioneered a unique approach to help clients achieve organizational and personal alignment that in turn delivers improved bottom line results.

Helping individuals and senior teams become more effective means going beyond mere symptoms in order to uncover root causes. This work, while intensely personal, results not only in enhanced effectiveness but also greater satisfaction. It is an approach that unlocks the potential within by focusing on individual empowerment and improved team dynamics.

Karen Hamilton is one of the faces behind our Behavioral Practice. With a Ph.D. in clinical psychology, a Master of Divinity degree, and over 15 years of experience working directly with senior executives, she represents the true point of difference in our approach.

At The Clarion Group, we have been fortunate to experience tremendous growth over the last several years. In 2002, we achieved 40 percent growth, almost half of which was directly attributable to our Behavioral Practice. Looking ahead, we anticipate half our growth in 2003 will be from behavioral work with clients looking to achieve stronger personal and organizational alignment.

This issue of *The Clarion Call* is an intentional departure from our usual style, yet it builds on our established frameworks of effective operating models and organization design. The insights presented are simultaneously reflective and predictive of the evolution of Corporate America.

We hope you enjoy this issue and, as always, we welcome your feedback.

# A Context for Positive Growth

Consider for a moment the adage, “If you do what you’ve always done, you’ll get what you’ve always gotten.”

Or better yet, “If it ain't broke, don't fix it.”

Some would say these are truisms about the value of consistency and predictability. However, is it desirable – or even possible – to remain the same in a world of constant change?

As emotional beings, individuals can be reluctant to change, instead preferring the security and comfort of a known course. We may allow ourselves to be lulled into assuming future outcomes based on past success.

The risk with this approach is to never realize our full potential as individuals or as organizational teams. It is akin to the financial assertion: Grow or die. The opportunity is to embrace change and our inner capacity for growth.

It is this idea of unlocking potential, both individually and organizationally, that led to the

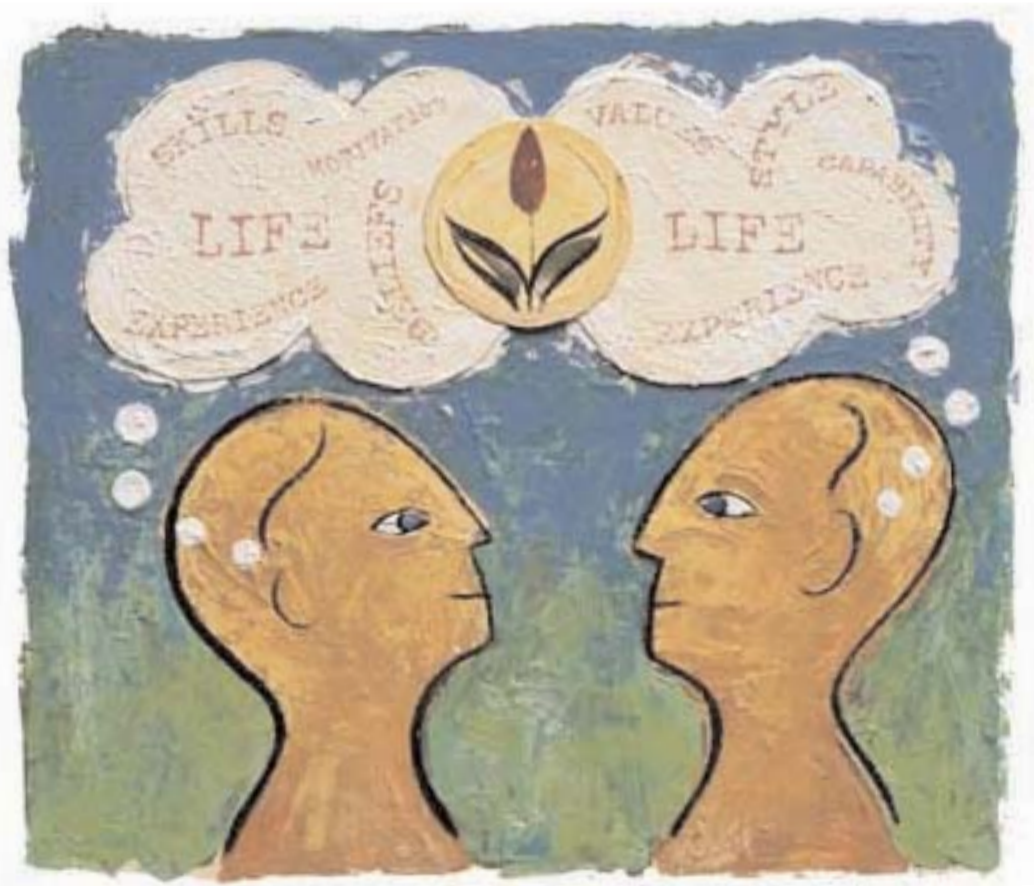
development of The Clarion Group's Behavioral Practice. Our approach is centered on two fundamental business concerns: first, helping individuals, teams, and organizations identify effective behaviors; and second, helping them to manifest these desired behaviors in daily interactions.

## Behavior in Vogue

Behavior and emotion have become hot-button words among management theorists and economists over the past several years. Terms such as “behavioral economics” and “emotional intelligence” have been coined to describe the significant role human nature plays in achieving business success.

Just as organizations are comprised of the individuals who make up the whole, each of us is a composite of our unique capabilities, experiences, motivations, and beliefs. These elements combine to form the subtext for our actions and our ability to relate well to other people.

Executives who want to get the highest level of performance from themselves and their senior teams need to understand not only the optimum external behaviors for success but also the underlying internal beliefs and values.



# Deconstructing the Process

The best way to understand the business significance of behavioral alignment is to look at a real-life example of our work with a senior management team. The following profile examines the goals, processes, experiences, and outcomes – both actual and anticipated – of one of our Behavioral Practice clients, Liberty Life Assurance Company of Boston.

## Creating a Common Vocabulary

The need to change behaviors can arise from the desire not only to improve a negative condition but also to enhance a positive one, as was the case for John Tymochko, Chief Operating Officer at Liberty Life.

In December 2001, John was promoted to become the new Chief Operating Officer of the strong and growing life insurance division of Liberty Mutual Insurance. To his credit, John saw the innate potential of his senior management team. At the same time he recognized that the team's management style was out of alignment with how the company needed to operate for continued success.

Liberty Life started out ten years ago as a small, start-up company. It had a structure, strategy, and operating style that were very entrepreneurial and consistent with building an organization from scratch. But as a mid-sized entity with just under \$1 billion in top line revenues and 185 employees, the management style needed to change.

"It's just as in an individual's career, you find that the skills that got you to a certain level are not necessarily the skills you need once you're at that level," John recalled. "Institutional capabilities can be viewed in the same way. It's not that our style, strategy, or structure were inherently wrong – they were right for where we were at the time – but they needed to change to better reflect our current stage of evolution."

One of the first things needed to bring the behaviors and

operating style in line with the company's new and evolving challenges was a common vocabulary among the senior management team to reveal the subtext of behavior.

"It's not only the 'what' of behavior – how one needs to act to support the organizational strategy – but also the 'why' of behavior that's important," said Karen Hamilton, senior advisor of The Clarion Group's Behavioral Practice. "This includes an understanding of the motivations, experiences, and belief systems that drive individual actions."

"There's a certain level of healthy conflict and a certain amount of constructive tension in any strong, growing organization," according to John. The goal is to examine the underlying interpersonal dynamics to make sure that the conflicts are constructive and centered on business issues.

"The Clarion Group has given us a way of thinking about things and helped us to establish a common vocabulary that has enabled our senior team to interact more consistently and productively."

## A Process of Outward Introspection

The Clarion Group's approach to align behavior with business strategy and organizational structure is deeply personal yet firmly centered on achieving business goals. It involves components that may include group and individual interviews, assessments, facilitated meetings at The Clarion Group Design and Retreat Center, or a 360° process that provides qualitative as well as quantitative feedback.

"The process of inner work is empowering and liberating," said Karen. "By exploring the motivations behind our behaviors, we strengthen our self awareness and unlock the potential within. From an organization perspective, unproductive behaviors that are being 'tripped over' inhibit the attainment of strategic goals, whereas helping individuals tap more fully into their potential raises the bar of what is possible to achieve."

The Clarion Group's approach helps identify obstacles that may get in the way of effective behavior. Obstacles typically

*"It's not only the 'what' of behavior – how one needs to act to support the organizational strategy – but also the 'why' of behavior that's important."*

involve unresolved issues with others or misalignments with one's core values. The process allows individuals to connect more deeply with their inner self. In some cases this may mean reframing beliefs or constructively resolving issues with others. This leads to greater trust and risk taking.

Sometimes, the process of deeper work may reveal more psychological issues that prevent an individual from contributing effectively to the team. The Clarion Group's approach is to name the issue and recommend a course of action that is separate from, though may be concurrent with, the work of Behavioral Alignment.

*Continued on back page*

## Deconstructing the Process *continued*

People unfamiliar with inner work can sometimes be reluctant to consider its value out of a fear that they may discover a gross misalignment with the work they are doing. “Our experience with clients, however, has found that most people can find their work to be deeply meaningful and satisfying,” said Karen. “With a willingness to work things through and minor adjustments in their thinking, they are able to tap more fully into their performance potential.”

### Embracing a Sense of Adventure

The Liberty Life senior management team was made up of eight executives – John and the heads of each of the key functional business areas: marketing, finance, pricing, HR, administration, IT and legal. They began working with Karen and The Clarion Group’s Behavioral Practice in June 2002.

“The challenges that faced the senior management team included adjusting to a new leadership style and cross-

functional tensions, such as a tendency to operate in silos, which detracted from the collaborative potential of the team,” said Karen. “The overall objective was to develop more effective and satisfying team leadership skills.”

For John, and several other members of the senior management team, embarking on the process evoked a sense of adventure. Others approached the work a bit more cautiously but nonetheless were fully committed to examining their behaviors.

From an individual perspective, the challenge of going through the process varied from person to person. For some, the challenge was stepping outside their comfort zones, while others enthusiastically embraced the opportunity for growth. “As we approached the work, we all were excited to see where the process would take us,” said John. “Everyone became engaged, and no one held back.”

The most difficult part of the work from an organizational

standpoint was logistically making it happen. At Liberty Life, John demonstrated his firm commitment to the process by being an active participant. “The process requires a significant amount of time. You have to be dedicated to it; you can’t just fit it in between other appointments,” said John.

Through his example, John gave implicit permission to the rest of the senior team to dedicate the time needed to the work.

### Proving the Negative

At present, the Liberty Life senior team is working as a whole to integrate the behaviors for success into day-to-day activities. Already, the team is experiencing the rewards of examining the subtext of behavior.

“I can’t think of anything about the process that wasn’t intellectually fun to do, engaging, or emotionally satisfying,” said John. “The greatest pleasure I have taken from the work is watching people interact with each other in a healthier way.

That’s not to say there isn’t conflict or disagreement; it’s that we’re now operating at a higher level of maturity than we experienced before the work.”

While the positive effects of the work cannot yet be measured on the balance sheet, John believes that it has made a significant contribution to the bottom line.

“In terms of organizational performance, I never felt that we had a dysfunctional team. Rather, I was looking to enhance our high level of performance. Since we began working with Karen and Lyne (another advisor from the Behavioral Practice), our results quantitatively have continued to be very strong,” said John. “Determining the financial impact of the work at this point would be like proving the negative. You can’t turn the clocks back to ask what the results would have been if we didn’t do anything. However, I believe that if we hadn’t done anything, there would have been a deterioration of results.”

## Behavioral Alignment: Is It Right For Your Team?

The Clarion Group’s approach to behavioral alignment is not a one-size-fits-all solution. It’s highly customized to address the challenges unique to each client and achieve the objectives sought by each organization.

How can you determine if leadership development is the right approach to leverage your team’s fullest potential?

The clearest indicator is if you are fairly satisfied with individual members of your team but less satisfied with the overall performance of the group. In other words, if individual performance is on target but there is untapped potential as a team, behavioral alignment can help to move your organization closer to achieving its goals.



*Our clients value what we offer them. Call us at 860-232-3667 so that we can discuss your needs and put you in touch with satisfied business leaders who have worked with us.*



**The Clarion Group, Ltd.**