

Creating Confident Organizations

A CEO to CEO Quarterly Newsletter

FROM THE DESK OF BOB WILSON

Hope, Peril, and Recession

Dear Fellow CEO:

I'm neither a politician nor an economist. While I read an awful lot about both, I'm not an expert in either.

On the political front, the line-up of who's in charge in Washington and how they work will change significantly come January (as it has with each change in presidency). While we would have a pretty good idea of how President Bush might have continued to govern (if given the chance), he's only got two months left. And, we don't know much at all (really) about how President-elect Obama will choose to govern once the baton is passed. While he's talked about many things, the only clear message he's delivered consistently is about the hope of "Yes, We Can!"

On the economic front, we know things aren't going well. Every day, there are reports of organizations facing bankruptcy, cutting staff, chopping budgets. States and school districts are chiming in as well. What had been (a decade ago) a fairly long-running, positive, trickling down economy is fast becoming a trickle down recession. Big layoffs are begetting smaller layoffs are hitting the pocketbooks of average Joe's (of all varieties). But the trickle seems to have a lot more gravitational force with the economy going down than it did when the economy was going up. Irrational exuberance has become unmitigated gloom.

With that in mind, here are some interesting statistics from a CNN research poll taken shortly after the election:

- 16% of those questioned said things are going well in the country (an all time low)
- 83% of those questioned said things are going badly in the country (an all time high)
- 76% disapprove of how President Bush is doing his job (an all time high)
- 75% think Obama will do a good job as President

The first three kind of make sense, but the last one threw me. How is it that a closely divided nation has so much hope for an untested president in a time of such extreme uncertainty and negativity? How can people think things will change that much?

I think it's because Obama mostly talked about pulling people together with that thing called hope. Simply, people must be believing the, "Yes, We Can!" They must be buying in the "Audacity of Hope."

Two presidents in the 20th century came into the White House espousing the same general philosophy also speaking in broad brush language: Franklin Roosevelt and Ronald Reagan. They both provided America with something that was in short supply before they came into office – hope. Roosevelt came in and said, "We have nothing to fear but fear itself" to calm the depression of the depression. Reagan was faced with the "malaise" of the Carter administration – stagflation, hostages in Iran – a real mess – and countered it with the message, "The (Democrats) say that the United States has had its days in the sun, that our nation has passed its zenith. My fellow citizens, I utterly reject that view." Both FDR and Reagan offered hope when it was in short supply. So has Barack Obama.

Even conservative columnist William Kristol, founder of the Weekly Standard, had this to say about Obama in a recent NY Times column, "Suddenly visions of the two great modern realigning presidents — Franklin Roosevelt and Ronald Reagan flashed before my eyes. Maybe a re-alignment could be coming."

Have even conservatives like Kristol drunk Obama's Kool-Aid?



Maybe yes and maybe no. Kristol is recognizing something that is important for all of us to recognize as leaders. No matter how bad everything might look, no matter how bad cash flow looks, no matter how far down sales figures might get – our job is to offer hope to the people we lead. If we can't muster up the energy to inject hope that we can – no - that we will - preside over things getting better, our people, in bad times especially, believe things will get worse. Their productivity suffers. They lose faith. If we can't unite our people in the reason and direction of our efforts, and their role in and the reason for them making those efforts; they lose their willingness to follow.

The tag line of Advisa is, "Building Confident Organizations" for a reason. Confidence is the engine of productivity. Confidence is what powers growth and profits. It is the currency of success. And if we, as leaders are short of it, that will trickle down tsunami like through our organization. Our role at Advisa is to help in your efforts to build that confidence.

I'm not saying face whatever difficulties your organization is facing with blithe, unfounded optimism. What I am saying is this: determine what difficulties that you're facing you can impact, work with your team to come up with a plan to overcome them, communicate the plan to your people in a way that lets them know what their role in the process is and let them know you believe that with their help and commitment, you've got as great a chance for success as anyone ever will. That's the message of hope. People need that in trying times.

These are trying times.

Economists say recessions are made up of both real and psychological factors. I think the polls above will give our new president-elect and the economy he'll be facing a psychological boost when he takes office. The real factors of the economy may limit the impact of that boost, but it sure can't hurt. It will be up to Obama to sustain it. His plan, in order to be successful, will need to be just like ours: broad based and with a strong dose of the hope of accomplishing it. Then he just might succeed.

Most everyone who's receiving this note isn't transitioning into power. We've already got it and we're going to continue to have it. But, our plans still need to be the same. Work with your team to figure out how you're going to deal with the tough times ahead. Map out a plan and confidently pursue it. If you have any questions, give your P. I. consultant or me a call. You need to paint a picture for your people of hope - of pulling together to accomplish something of substance.

Like him or not, Obama has accomplished something we might all try to do with our own organizations – especially now. He sold an attitude of, "Yes, We Can!" Hopefully, like FDR and Reagan before him, he can his turn hope into reality. Yes, and as CEO's, we can too.

Thanks for reading,

Bob Wilson, President

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