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Transforming crippling company politics



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TRANSFORMING CRIPPLING COMPANY POLITICS

The UK chief executive officer (CEO) of a large insurance firm faced declining gross written premiums (revenue) in her commercial division. In workshops, her senior managers determined that their work came alive when they appeared on emergency sites to distribute checks. She challenged them, "Let's treat customers that way all the time and sell more." When they wrote vague proposals to care for customers in sales, she hired consultants. Then she missed her profit numbers; the Group CEO fired her. The consultants continued on and executed her vision. She failed to exercise political power, but did she fail in any of the basics Jeffrey Pfeffer lists in his classic work on power? Did she fail to have a compelling vision? to achieve buy-in? to detail the threat? to have a good power map of the organization? to cultivate relationships with allies and the Group CEO? She executed the basics of power well. But she worked in a fearful organization where managers instinctively shunned the limelight by pointing to others' weaknesses. Her managers would casually let slip that her plans might not save profitability. Those casual slips silently became the Group CEO's defining issue.

IMPORTANCE OF POLITICS AND THE COMMON FIX FOR NEGATIVE POLITICS

Everyone knows examples of mean-spirited, value-draining company politics. Politics kills critical change programs, puts managers into empty competition, and opens enormous fields of reputation-covering busyness. We find that negative politics adds friction amounting to 20 percent of operating costs. In their study, Philip Evans and Bob Wolf suggest the cost is higher. Rosabeth Moss Kanter shows most managers believe the fix involves replacing the leader and 70 percent of her team. It works, but requires a new senior team unfamiliar with the company.

The 70 percent solution is not necessary. Leaders can turn around the negative politics that grew up under them. The change requires (1) realizing the importance of politics, (2) knowing the foundation of the different kinds of politics in structural moods (following Heidegger), (3) knowing the four different kinds of negative and counterpart positive moods and politics, and (4) deploying the basic building blocks for change.

POLITICS AND ITS FOUNDATION

Can we simply just avoid politics? Pfeffer shows that politics happen wherever wisdom is finite and people are interdependent. With finite wisdom, reasons and facts are not enough to compel commitment, and with interdependence, commitment is necessary. Managers who use positive politics invent decision-making processes, inspire, challenge, cajole, improvise, horse trade, warn, corner, and reprove. Negative politics adds blame, betrayal, appeasement, and deceit.

Senior managers cannot simply choose their company's politics. Politics is the visible expression of a larger emotional-normative context, determining what matters. Where hope matters, managers at odds offer occasions for conversion. Where resentment reigns, managers seek gotcha moments. Normal change programs shift a few norms, not what matters.

Heidegger on Moods as Mattering

The philosopher Martin Heidegger, who brought mood into prominence in philosophy, offers three insights that help us understand and change negative politics. First, he (1927) pointed out that mood determined how things matter and separated mattering from meaning. The neurologist Anthony Damasio confirmed the distinction with patient studies that show we think irresolutely about things unless we feel how they matter. Barclays' 2012 famous, fearful Wealth Management unit shows how the distinction works. Things have

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meanings based on a synthesis of our theoretical and practical norms for coping with them. The meaning of a report – a detailed account of a situation – synthesizes reflection (is it true?) and action (do we jump?). Barclays' people knew reports. But in fear cultures, reports matter, as they threaten. Thus, when Andrew Tinny, Wealth Management chief operating office (COO), saw the report saying Barclays had a fear culture, he hid it.

Moods also powerfully co-opt any theoretical or practical norms that could change what matters. Sticking with fearful organizations, Manfred F.R. Kets de Vries and Danny Miller discovered that their managers generally report vaguely. To change this, a unit manager relentlessly probed junior managers for clarity. Her managers learned to write about specifics but conditioned them like lawyers. The manager stopped the vagueness, but fear co-opted the new precision.

Heidegger on Structural Moods

Second, Heidegger (1930) went on to show that pervasive moods only sometimes well up into noticeable feeling states and usually arise out of normative social structures. We call such moods structural moods. Most practice theorists mix them up with other enduring dispositions.

What is a mood in the norms? Consider a cathedral. Regardless of belief, most who enter a cathedral find themselves drawn to look up with awe and lower their voices respectfully. They become reverential. Market structures work the same way. Consider bubbles. Everything is a buying opportunity; good economic reasons show growth will last forever; naysayers are ignored. We dwell in the structural mood that behavioral economists George Akerlof and Robert Schiller call confidence; only claims bespeaking confidence matter. Like Andrew Tinny, we can think beyond such moods, but cannot stick to resolutions we form.

Company moods are harder to see. When we first enter a company, we might notice a particular mood: the trusting directness of people at the biotech or the fearful evasiveness at the insurance company. But the awareness dies as the mood possesses us. Fortunately, the number of common moods is small. In applying Heidegger over the last 25 years at well over 150 large and small companies in the Americas and Europe, we find that most are in one of four negative or positive moods: resentment, fear, resignation and arrogance, and, as counterparts, hope, admiration, zeal and joy. Kets de Vries and Miller found four organizational fantasies: schizoid, paranoid, depressive, and dramatic, which correspond to our four negative moods.

Kets de Vries and Miller as well as Jeffrey D. Ford, Laurie W. Ford, Randall McNamara and Fernando Flores explain why moods are most visible in organizational politics. Consider what people naturally do in each mood: Resentment blames. Hope trusts. Fear hides out and slights others. Admiration celebrates. Resignation appeases. Zeal seeks a discipline. Arrogance deceives to win. Joy improvises playfully.

Heidegger on Counter-Moods or Counterpart Moods

Heidegger's third insight (1927) shows how to get from one mood to another: "When we master a mood, we do so by way of

a counter-mood." As we saw, changing practices alone does not change mattering. Only a second mood masters the first. In applying this thought, we follow Charles Spinoza's early research and subsequent development by esthetic theorist Jonathan Flatley and philosophers Hubert L. Dreyfus and Sean Kelly. They found that it was easier to move to a mood that played a subordinate role in the dominant mood. We call such moods counterpart moods. Thus, while resentment disdains other moods, it retains a hope of overcoming the enemy. As we show later, building on that hope can drive the transformation. Likewise, fear grudgingly admires the threatening. Resigned managers are zealous about what cannot be changed. Arrogance contains a solitary joy in mastering others.

FOUR NEGATIVE STRUCTURAL MOODS AND THEIR POSITIVE COUNTERPARTS

Since the structural mood is invisible to the leader, she uncovers it by identifying the prevalent political practices and then inferring which mood would incite them. To uncover the political practices, ask: How does one get ahead? How do we report up? How do we reach agreement? How do most initiatives go? Most companies fall into one of the moods listed below.

Resentment and the Politics of Blame (Republicans vs. Democrats)

Resentment appears most commonly in partnerships and research or advisory companies like biotechs or consultancies. But Hewlett-Packard Co. famously fell into resentment when Carly Fiorina fought with Walter Hewlett. Likewise, in 2011, TIME's CEO Jack Giffin failed to overcome the resentful skirmishing of editorial and advertising. In resentment, two or more groups blame each other for corporate failures. They spin each other's statements to turn priority differences into blameworthy malfeasance. Key moments in the company's history consist of out-groups replacing in-groups. Managers spend time plotting to oust or convert other managers. Cross-faction initiatives stall.

At a US medical services company that manages and staffs hospital departments, the physicians, organized as partners, characterized their culture as collegial. Their historical behavior, however, revealed that leadership changes came from Machiavellian conspiracies. Clever political maneuvering put Martin, the CEO, and his chief business development officer (CBDO) in place. They pursued growth through acquisitions. A large minority faction on the board and Martin's COO believed that Martin and the CBDO were putting the partnership culture at risk with acquisitions that were far-flung, practiced lower quality medicine, or were otherwise culturally unsuited. This faction spun every decision Martin made into a self-interested act. As the board faction argued against most acquisitions, Martin jeopardized his growth strategy by making only the least controversial acquisitions.

Counterpart: Hope and the Politics of Trust

The politics of hope is trust-building: managers curry each other's good will with frank directness. Successful partnerships

and research or advisory companies work this way. Famously W. L. Gore and Associates, the producer of Gore fibers, has a hope culture. With little hierarchy, associates are members of inter-disciplinary teams. Leaders emerge according to the needs of the team's particular project. Managers disagree directly and meet to see if they can persuade each other. These companies have no long-standing factions. The history of such companies focuses on legendary exploits of teams, not coups. Though such organizations are intellectually aggressive, controversial initiatives progress when the managers use specific, trust-building processes to resolve disagreements.

A biotech riven by factions showed it had made the transformation to hope and trust when it started following a rule that opponents had to meet and show that they had mastered each other's reasons. In a notable conversation, the lead business developer said to the COO: "I think you are wrong to oppose renting out our manufacturing capacity. I'll start by giving the best reasons I can for your view." Shortly after the business developer started giving reasons, he said, "I get it. I'm a convert." He adopted the COO's view.

Fear and the Politics of Betrayal (Communist East Germany)

Unlike the fierce, articulate partisanship of resentment, fear drives vague speech and isolation. Insurance, retail banking, and media tend toward fear. Under John Birt, the BBC in the 1990s fell into fear. Its managers pointed to the faults in other divisions to keep attention from themselves and casually betrayed each other. As in the anecdote at the beginning of this article, conversations in fear are littered with little betrayals: "Her management style will paralyze her unit." Reports remain high-level, indulge in RAG (red, amber, green) signaling systems, and do not bring out unresolved problems or provide a picture of the experience on the ground. Junior managers weave cocoons around upper managers, who see their own hands-off management as the mark of their senior positions. Managers take little ownership. They float trial balloons. Fearful companies have many initiatives that start with clear purposes, yield vague reports that lose senior management interest, and then go dormant.

Counterpart: Admiration and the Politics of Celebration

Fear grudgingly admires whatever threatens; thus, admiration is fear's counterpart. Rajendra Sissodia, David Wolfe, and Jagdish Sheth write about admiration companies. They compete on customer service: Harley-Davidson, JetBlue, LL Bean, Patagonia, Trader Joe's, and Whole Foods. Add Umpqua Bank, Starbucks, The Ritz-Carlton, John Lewis, Nordstrom, and Disney. Like fear, admiration is indirect. Initiatives begin when a manager notices an employee doing something admirable such as making follow-up calls to customers. The manager first entices others to celebrate the action, then incites the performance by, for instance, offering call training, and last implements a measuring system and standard celebration. These companies run on large and small celebrations focusing on service values. Umpqua Bank

has Oscars-like celebrations. Starbucks' employees share service stories and virtuous service cards weekly.

Resignation and the Politics of Appeasement (Trapped in a small town with the same people forever)

Resignation is the classic structural mood of bureaucracies. Manufacturing, engineering, pharmaceutical companies, utilities, and government organizations easily fall prey. Facing deregulation in the mid-1980s, The Bank of America faced so much appeasing to maintain cordial relations that its senior managers could not agree to sell the corporate jet. Innovative Nokia, with 50 percent mobile market share in 2007, sold its mobile business to Microsoft in 2013 because marketing, software, and hardware managers were paralyzed in appeasing each other. Resignation disposes managers to assume that people in other departments will never change. Appeasing them achieves consent. A European utility company provides the classic case of how initiatives grow and fail in resignation. The COO convened a customer service team to solve customer churn. When the team showed promising results with green loyalty programs, the COO sought to broaden buy-in by adding managers from generation, finance, and marketing. Suspicious of the green angle, the new members asked for more research. To appease them, the team proposed a comprehensive research initiative. The COO funded a less costly alternative but it did not appease. When the team sought the costly plan again, the COO ended the project.

Counterpart: Zeal and the Politics of Discipline

While resignation has no joy, hope, or admiration, resigned managers zealously believe that others will not change. Thus, zeal can overcome resignation. The standard-bearers of the structural mood of zeal and the politics of discipline are Abbot Labs, Toyota, 3M, General Electric Co., Berkshire Hathaway, and all of Jim Collins's great companies. Managers in zealous companies attract allies by fierce devotion to the one discipline. At Abbot Labs, every manager is responsible for the return on his or her department's investments. Managers have enormous leeway so long as they maintain their ROI (return on investment). Other disciplines arising from zeal are product development, as at 3M and Google, investing strategies at Berkshire Hathaway, and safety. Zeal and the politics of discipline cut through silos with one language. When in the 1990s British Airways zealously devoted itself to getting business travelers to work fresh, even the information technology (IT) department contributed by developing paperless tickets. At zealous companies, managers make personal, public promises to senior managers. Speech is distinctly plain like Warren Buffett's annual reports. Initiatives succeed because focused teams drive hard with clear indicators aligned to the corporate discipline.

A resigned European utility transformed itself from resignation to zeal by making safety its religion. Everyone was his or her brother's keeper. No guest could get half way up stairs without hearing a request to hold on to the rail. Cars were all always reverse-parked. Meetings began with a homily to safety. Managers then enlarged safety to include

quality, caring communication, and even treating customers as family.

Arrogance and the Politics of Deceit (North Korea)

In arrogant cultures, managers do not spin-doctor, feed on airy vagueness, or appease. They make bold, deceitful promises to garner resources, share resources with friends, deny them to enemies, and then finesse away promise fulfillment. Managers are master game players with style and flair. Recall the London Whale. High-tech, automotive, and telecommunications companies, venture capitalists, securities traders and investment bankers fall into this mood. Enron and GM before the government bailout were arrogant. Arrogant deceitfulness usually extends to suppliers and customers. Arrogant venture capitalists (VCs) promise entrepreneurs flatteringly large sums on cunning terms that quickly give VCs majority ownership. Frequently, managers consider themselves so masterful that they admit past deceits. GM managers bragged about how their GM nod of approval duped the unsophisticated. Arrogant game players say they are data driven, because data require interpretation on which players feast by taking advantage of blind spots. Chris Argyris describes Intel's arrogant phase in the late 1990s. Though CEO Andy Grove preached honesty and data-driven decisions, the manipulation of data fostered a sense of superiority in his managers. Executive vice president Frank Gill even shared guidelines for manipulating Grove's blind spots.

A US high-tech company shows how initiatives fare in arrogant organizations. The senior service manager boldly and deceitfully promised to roll out an expensive, risky, but successfully piloted program for gaining industry leadership in service. Once he received the budget, he made the pilot manager a direct report and told her to concentrate on a few quick wins. He then commissioned a study to compare the risk, cost, and benefits of the quick wins to the whole pilot. The quick wins won on risk and cost. A second study evaluated whether the company required service leadership. Last, he asked for an increase in the budget and insisted on the leadership team reading both studies. As expected, the leaders chose the low-cost and risk-quick wins.

Counterpart: Joy and the Politics of Theatrical Improvisation

Managers in arrogant companies are too sophisticated to hope, too proud to admire, and too clever to feel fundamentalist zeal. But they do feel solitary joy over their successes. Leaders draw on this joy to move from the politics of deceit to joy's politics of theatrical improvisation. The game-playing remains, but in joy, the group takes care of itself. Twitter CEO Dick Costolo, who studied comic improvisation, puts it at the heart of his company. Improv requires accepting colleagues' initiations; Costolo insists on the same with employees. Claudio Ciborra shows that elite firefighters succeed when they joyfully improvise and fail when they decline an initiation.

At a joyful telecom, the board told a country manager in a public meeting to take an hour and turn a carefully developed \$80 million plan into a \$100 million plan. The country manager played along happily because she knew that if she

showed a little ingenuity, a board member would pick up where she fell short. In joy, managers take up colleagues' initiations and frequently do so in their colleague's manner. Handoffs are seamless. Initiatives succeed as managers anticipate what their colleagues will need and supply it just in time.

TRANSFORMING STRUCTURAL MOODS

How do leaders transform negative structural moods into their counterparts? In 1884, philosopher William James wrote: "[I]f we wish to conquer undesirable emotional tendencies in ourselves, we must assiduously, and in the first instance cold-bloodedly, go through the outward motions of those contrary dispositions we prefer." The principle is the same with structural moods, but the application harder. It feels more unnatural to change a structural mood than ordinary moods. Transforming a structural mood and its politics requires assembling three building blocks to overcome challenges that confound both James's advice and that of today's rationalistic change methodologies like John Kotter's or even the experienced-based approach of Roger Connors and Tom Smith. First, the negative structural mood and politics are mostly invisible. To see reasons for change, managers have to get into the counterpart mood and then observe their political behavior. No study will do. Second, since the leader is in the negative mood, he must change his own sense of mattering — why he gets up in the morning — and visibly manage in the new mood. Third, following such practice-based theorists as Jürgen Sandberg and Haridimos Tsoukas, Tamara Erickson and Lynda Gratton, and Charles Spinosa, Fernando Flores, and Hubert L. Dreyfus, leaders consolidate the new mood and its politics by establishing a new, simple, widely encountered, signature practice that captivates people with a spooky sense that it was always already invisibly present. This last block requires more art than science.

We will look at each building block by drawing on four companies whose leaders transformed one of the four negative structural moods into its positive counterpart. We already introduced the medical services company. The others are new.

GETTING INTO THE COUNTERPART MOOD AND SEEING THE OLD POLITICS

The first building block is to get the senior team to see its behavior from within the counterpart mood. Without this experience, no leader will have the inner resources or management support to drive the change. Different techniques work best for the different moods. In resentful companies, outsiders can interview the senior team and then conduct a workshop on the team's behaviors in the mood of hope. In fearful companies, leaders have their managers share positive and negative assessments of each other. The negative show the politics; the positive elicit admiration. Resigned teams get into the mood of zeal when they listen to candid assessments from zealous, raving-fan customers. Arrogant cultures generally require a combination of outsiders reporting and an exercise where the senior team joyfully experiences its game-playing.

Medical Services Company: Resentment's Blame viewed in Hope

At the medical services company riven by the high-growth and culture-preservation factions, the high-growth CEO Martin had consultants interview his team. In a workshop, the consultants quoted everyone anonymously confessing to recent factional politicking. To incite hope, the consultants respected the courage of speaking honestly and drew on South Africa's Truth and Reconciliation Commission's full confession, full forgiveness. They assumed the team was changing. The team caught the mood and momentarily saw their factions as crude.

Retained IT: Fear's Betrayals Viewed in Admiration

In contrast, Luke, the chief information office (CIO) of a retained IT division of a European investment bank, used assessment sharing to get his team to notice their politics of betrayal. Luke brought the managers of the retained and outsourced IT departments into a workshop where he told them to make three assessments of each of their colleagues—one negative and two positive. Most feared they would never be able to work together again, but each assessed his or her colleagues in succession. Because the negative assessments contained well-known small betrayals like ignoring a need for help, managers felt relief. The admiring assessments surprised gently. The combination of relief and surprise shifted the mood. The mistreatments seemed old; the admiring assessments were new. For a memorable moment, they admired their colleagues.

Engineering Company: Resignation's Appeasement Viewed in Zeal

Harry, the new CEO of a global engineering company that designed, built, and installed power plants, found himself surrounded with engineering silos along with sales, marketing, and finance. All appeased each other while advancing their own disciplines to create margin-destroying gold-plating. To get his senior team see themselves, Harry brought the team in to hear raving-fan clients. The clients loved the company's brilliantly engineered power plants. When Harry asked how things had changed recently, the customers said that the engineers used to run seminars to answer their questions. "Now, they try to appease us with short e-mails." When the chief financial officer (CFO) apologetically mentioned cost, a client responded forcefully: "How do you expect us to write RFPs suited to your engineering if you don't work with us?" The client's zeal woke their own. They felt shame at their transparent appeasing. They wanted to give full answers.

Energy Company: Arrogance's Deceit Viewed in Joy

Oliver, the new CEO (former CFO) of a European energy company, found himself over his head with his arrogant company's game-playing, deceitful senior managers. The senior team made daring promises—doubling renewables,

acquiring facilities at half the market price, cutting customer churn by half—and then supplied brilliant reasons for missing. Oliver knew he was part of it, and it had to stop. He turned attention to a failed foreign market penetration. He asked consultants to investigate. The managers took pride in their gamesmanship and gave a clear picture of their behavior: "I promise X when I know I will deliver Y." To encourage a mood of joy, the consultants wrote a report that treated the game playing as heroic. Still, the managers were nonplussed. At the next management meeting, they boldly proposed radical changes to prevent "ambitious" promises. One spoke for hyper-rigorous numbers, another for non-executive directors attending management meetings. They were posturing. Oliver and the consultants conducted an exercise. They asked the managers to write down what they and their colleague on the right would say about the next agenda item. Then they went around the table, speaking in turn for the colleague. Since the exercise appealed to their game playing, the managers threw themselves into it. They mimicked their colleagues' styles and got the content mostly right. At the end, as they basked in the joy of their performance, the consultant asked what was different. "We normally play to win," one said. "Win what?" Oliver asked, showing the insincere positions and game-playing.

These short moments of heightened awareness and desire for change stiffen the leader's resolve and reduce resistance.

STARTING TO MANAGE IN THE STYLE OF THE COUNTERPART MOOD

The transformation proceeds if the leader cold-bloodedly goes through the unnatural "outward motions" of establishing a management practice that expresses the counterpart mood and forces the leader's own transformation. How? Karl Weick writing on design and Spinoza, Flores, and Dreyfus writing on innovation argue for finding the transformative practice in the manager's own past. A reflective discussion with a coach does the job.

The coach asks the leader to tell the story of her managerial life from school to the present. How did she manage during her first appointment, her first career challenge, and so on? How does or did she manage athletic teams, fellow hobbyists, parishioners, or family members? Since the counterpart is a subordinate mood in the negative one, leaders will invariably have managed in it at least once.

Once the coach and leader find the moment, they resurrect a practice that will resolve a current problem and manifest the counterpart mood's politics. Because it draws on an unusual way of behaving, the practice incites instinctive resistance. The leader feels this resistance intensely, but it shows that the practice brings with it the counterpart mood. Martin Heidegger sees this moment as facing the death of one's identity and as critical to change. We will note each leader's unsettledness.

The Medical Services CEO Sets Up a Practice of Hopeful Trust

In the space opened by the Truth and Reconciliation workshop, Martin recognized that he needed to build trust with his own team and the board. In an earlier job, he trusted

managers according to their talents. Consequently, to transition to hopeful trust, he asked his current team to identify each other's talents, and then he set a ground rule. Except for vexed issues of growth and culture, the talented expert would speak first and last on his issues. Martin felt weird forcing the practice but persevered. His team assimilated it. It cut the sniping and yielded brief experiences of non-partisan trust.

The Retained IT CIO Sets Up a Practice of Admiring Celebration

In the wake of the retained and outsourced IT assessment exercise, Luke wondered how he could cut through the vague reports from both teams. He remembered his days at a Silicon Valley start up in the 1980s, when he and other managers lived in admiration and celebrated colleagues' achievements at the pizza-and-beer Fridays. No one reported vaguely then. People wanted to be celebrated. Luke started weekly outsourcer and retained IT project dinners. The local outsourced managers nominated the retained IT manager of the week and the retained IT managers did the same for the outsourced team. Migrating from dinner to dinner, Luke modeled giving thanks in the mood of admiration. The managers liked the events, spoke crisply about achievements, but did no more. Luke felt like a dinosaur, but persevered.

The Engineering Company CEO Sets Up a Practice of Zealous Discipline

In light of the zealous customers' remarks, Harry saw that he needed a zealous company with a cross-silo discipline. He managed with zeal at a previous company where he had led project management. He reorganized to put project managers in charge of each program from early in the sales cycle to commissioning. Once on projects, all department people reported to the project manager. Cycle time became the key measure. But margins improved only slightly. Everyone still instinctively appeased. Harry had a cross-silo discipline, but only he had the zeal. Yet he felt himself a figure of a destiny he knew would be fulfilled.

The Energy Company CEO Sets Up a Joyful Improvisational Practice

In the light of the workshop where the team saw its game playing, Oliver recalled a practice he had enjoyed from his days as CFO, when he conducted chats with regional finance teams over frugal Chinese dinners. He made no bold promises; he listened to staff, talked about his concerns, and answered questions. Those teams enjoyed his homespun approach and would often improvise solutions for his concerns. He resurrected the practice in the form of town hall meetings with the direct reports of his senior team. Oliver felt vulnerable in returning to this seemingly weak part of his past, but persisted.

MAKING THE NEW PRACTICE AND MOOD PERVASIVE

When a leader finds she can anticipate the daily challenges to the uncomfortable new practice, it is time for the final

building block. The leader's art requires building on the initial practice to make it both resilient against challenges and available across the company. Though it always seems like a marvel when it occurs, leaders tend to make this happen in a few simple ways. Following Tamara Erickson and Lynda Gratton, leaders can give their new practice resilient teeth by using it as the only way to make certain crucial decisions. For instance, all strategy setting proceeds through the new practice. The leader can also establish additional practices that support the new practice. Celebrating customers or suppliers, for example, supports celebrating employees. To make the practice available, the leader can simply increase the number of people who engage in it. Every department has a morning huddle. Leaders frequently combine these techniques. The enhanced practice takes on a life of its own and creates perpetuators when it solves a key problem, has the leader's full authority behind it, and provokes a sense of enthusiasm. It reveals a behavior and feeling (of the counterpart mood) that managers previously were close to having.

The Medical Services CEO Makes Hopeful Trust Pervasive

At the medical services company, Martin had created a new way of working when it came to non-controversial issues. The team easily gave Martin first and last word in anticipating the next action of a competitor. Likewise, everyone trusted the COO on execution. However, the board faction and COO still opposed Martin's acquisitions. Martin decided to give the new trust-building practice sharp teeth with a supplement. Martin asked the antagonistic board members to create a growth assessment tool for determining cultural affinity, quality of medical practices, and overall strategic fit. The request itself required hopeful trust. Martin then publically promised to use the tool in identifying acquisitions. The tool made explicit many of the old tacit cultural assumptions of the board, and debates reached resolution by turning on the use of the tool, not anyone's motivations. Marvelously the past, embodied in the tacit assumptions of the tool, resolved the present's problems.

The Retained IT CIO Makes Admiring Celebration Pervasive

Since Luke's celebratory dinners had no legs, Luke devised two additional admiring practices to help managers identify what to celebrate and inspire them to do so. He started each project with a goals-sharing meeting. The retained and outsourced managers named their largest challenges and the success they would like to achieve. To end casual finger-pointing betrayals, he also established a weekly horse-trading meeting. There the retained and outsourced managers admitted resourcing weaknesses and made requests for programmers, analysts, even personal assistants to "save" the week. No one wanted to show any vulnerability, but as with the assessment exercise, they ended up admiring each other. As these two meetings lent substance to the celebratory dinners, the dinners imbued the meetings with admiration. Managers marveled at how the old skill for observing others' weaknesses had become a skill for taking care of others.

The Engineering Company CEO Makes Zealous Discipline Pervasive

Harry made his new project management discipline incisive by adding work freezes. He identified the times when additional costs crept into projects and stopped all work at each. It shocked the appeasing culture. At each stoppage, all the disciplines had to agree on a plan to save the margin before restarting. Because Harry put all his authority behind the freezes and no one wanted to be seen to be holding up the whole program, the desire to get through the freezes became zeal. Weirdly, when they looked back at their old back-and-forth appeasing, managers saw they essentially had had freezes.

The Energy Company CEO Makes Joyful Improvisation Pervasive

Oliver wanted his town-hall practice to pervade the whole company, but he could not order his senior team simply to change their style. Then, one day, he had to prepare for a meeting with a senior government minister and happened onto the minister's blog. It showed him what the minister wanted. The day after he met the minister, Oliver started his own internal company blog. He wrote in his casual, slightly humorous style. Ninety percent of the company read it

weekly. More important, his senior managers, who had already shown themselves adept at imitating styles, started using Oliver's style in their correspondence and conversations. They started to make sensible offers to Oliver in his style. They were staging themselves, as they always had done. But now they shared in staging and felt the joy of group improvisation.

SUMMARY AND CONCLUSION

Today's prescriptions for exercising power fail in the face of costly, negative politics that normally resist anything short of draconian terminations. Structural moods explain the stickiness of negative and positive politics, and counterpart moods show the way to transform negative structural moods without mass terminations. The leader identifies the negative structural mood and gives her team an experience of their behavior in the counterpart mood. That experience opens the space for her to institute a practice that bears the counterpart mood. She perseveres with it until challenges are predictable, and then she strengthens it and applies it to a visible mission-critical activity.



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