

# Ivey BUSINESS JOURNAL

IMPROVING THE PRACTICE OF MANAGEMENT

## The bold, decisive manager: Cultivating a company of action-takers

By Heike Bruch and Sumantra Ghoshal

Reprint # 9B03TD08

IVEY MANAGEMENT SERVICES • July/August 2004  
COPYRIGHT © 2004

To order copies or request permission to reproduce materials, please contact:

Ivey Publishing, Ivey Management Services  
c/o Richard Ivey School of Business  
The University of Western Ontario  
London, Ontario N6A 3K7  
Tel: (519)661-3208  
Fax: (519)661-3882  
Email: [cases@ivey.uwo.ca](mailto:cases@ivey.uwo.ca)

Ivey Management Services prohibits any form of reproduction, storage or transmittal of this material without its written permission. This material is not covered under authorization form CanCopy or any other reproduction rights organization.

### **Ivey Business Journal Online**

is published by Ivey Management Services  
a division of  
the Richard Ivey School of Business.  
For subscription information, please contact:  
Tel: (519) 661- 4215  
Email: [ibjonline@ivey.uwo.ca](mailto:ibjonline@ivey.uwo.ca)  
or visit  
[www.iveybusinessjournal.com](http://www.iveybusinessjournal.com)

# The bold, decisive manager: Cultivating a company of action-takers

*Atrophy, entropy and apathy are holding back many organizations and managers today. How, then, to nullify those negative forces and create a culture that enables and rewards managers for taking bold, decisive action? Answering this question effectively is a leader's greatest challenge today, these co-authors write. In this article, they offer strong suggestions for creating an organizational culture defined by energy, imagination and the exercise of willpower.*

By Heike Bruch and Sumantra Ghoshal

Heike Bruch is Professor of Leadership at the University of St. Gallen, St. Gallen, Switzerland. The late Sumantra Ghoshal was Professor of Strategic and International Management at London Business School. Professor Ghoshal died in April, 2004. This article is based on the authors' recently published book, *A Bias For Action: How Effective Managers Harness Their Willpower, Achieve Results, and Stop Wasting Time* (Harvard Business School Press, 2000)

*"Management was, is, and always will be the same thing: The art of getting things done. And to get things done, managers must act themselves and mobilize collective action on the part of others."*  
R.G. Eccles, & N. Nobria, P. 32. Beyond the hype. Harvard Business School Press, 1992.

Although purposeful action-taking is one of the most significant prerequisites for good leadership, only ten percent of all managers spend their time in a committed, purposeful, and reflective manner. Fully ninety percent squander their time in all sorts

of ineffective activities; they fritter away their time and energy in mindless "busyness."

What are the causes of this pervasive lack of purposeful action-taking by managers? What is different about those who do take purposeful action? What can managers do to overcome busyness and enhance their personal action-taking ability? And what can corporate leaders do to create an organizational context in which others can take purposeful action?

These are the questions I pursued with the late Sumantra Ghoshal, formerly professor of strategic and international management at the London Business School, in our ten-year research collaboration in which we observed managers in more than a dozen companies in Europe, the United States, and Asia. In this paper, I present selected findings that focus on cultivating a company of purposeful action-takers.

## A culture of action takers

Great leaders use four particular ways to create a company of action-takers. They:

- (1) Engage their own willpower
- (2) Build a supportive action context
- (3) Unleash organizational energy
- (4) Create a corporate desire to act

## Engage their own willpower

The first important task of leaders who cultivate a company of purposeful action taking is to *be* a purposeful action taker.

Most managers lack energy or focus, the two key factors for both effective managerial activity and purposeful action-taking:

- Ten percent of managers take purposeful action, a type of behavior that combines high energy and high focus.
- Thirty percent of managers procrastinate; they hesitate and fail to take initiative because they suffer from low-level energy and focus.
- Twenty percent of managers exhibit disengaged behavior; they are highly focused but have little energy.
- Forty percent exhibit distracted behavior - busyness - by being highly energetic but engaging in unfocused activity.

By its very nature, a manager's job leaves little room for reflection. As a result, managers tend to ignore or postpone dealing with the organization's most crucial issues. Most managers rush from meeting to meeting, check their e-mail constantly, put out fire after fire, and make countless phone calls. In short, they engage in an astonishing amount of fast-moving activity that allows almost no time for reflection or actual leadership.

Doubtless executives are under incredible pressure to perform, and they have far too much to do, even if they work twelve-hour days. Only a few managers use their time effectively, while the majority fall victim to unproductive busyness.

If asked for the causes for this difference in behavior, most leaders will ascribe it to "motivation" or the lack thereof. Our research does indeed indicate that motivation is important. However, while motivation enables managers to perform routine tasks well, it is not sufficient for making significant, challenging, or complex things happen. Unfortunately, managerial tasks are usually complex and innovative, dealing with long-term objectives. In everyday jobs, managers commonly strive to achieve multiple - often conflicting - goals, many of

which are not simple "one-shot" affairs but long-term projects that require sustained effort. Ambitious goals, long-term projects, high uncertainty, extreme opposition - these are the circumstances that highlight the limitations of motivation. Managers who make things happen despite these circumstances rely on a different force, the power of their will.

Willpower goes a decisive step further than motivation. It implies a commitment that comes only from a deep, personal attachment to a certain intention. Willpower springs from a conscious choice

**Willpower is the central source of managers' energy and focus, and engaging it is the first important step toward cultivating a company of action takers. The first and foremost task of a leader then, is to engage his or her willpower, and unleash that power on others.**

to make a concrete thing happen. This commitment to a certain end - not to doing something but to achieving something - represents the engagement of the human will.

While motivation easily dissipates over time or when obstacles appear, willpower enables managers to execute disciplined action even when they lack the desire to do something, do not feel excited by the work at hand, or feel tempted by alternative opportunities. The force of their will enables them to fight the headwind that comes with change. Their will gives them the power to overcome barriers, to deal with setbacks, to persevere through the energy-demanding long journey from a vision to its realization. With willpower, abandoning an intention is not an option - subjectively, there is no way back. Willful managers are determined to achieve their intention, no matter what.

Top-level leaders of companies are often not in a

position to give direction to others, to get them excited about something, or to encourage them, simply because they themselves have not engaged their personal willpower. Managers who are distracted or disengaged, as well as those who procrastinate or take purposeful action only occasionally, are not good leaders. Moreover, they know that they are not good leaders. They feel overwhelmed by the expectations of their people. The subjective feeling of unease in their leadership role is neither an exception nor a surprise. How could they stimulate others when they themselves lack energy, i.e. they feel detached, exhausted or even burnt out? How could they provide orientation and meaning when they lack focus and thus are carried along by momentum of what is happening and much of their capacities is absorbed in firefighting? How could they create a context that encourages others to take the initiative when they themselves are insecure about the right way to go?

Willpower is the central source of managers' energy and focus, and engaging it is the first important step toward cultivating a company of action takers. The first and foremost task of a leader then, is to engage his or her willpower, and unleash that power on others.

### **Building an action-taking culture**

The second challenge of senior-level leaders is to create a context in which managers can act and engage their willpower. Again, creating a company in which the majority of managers practice leadership is far from easy. In most companies, many managers are preoccupied by firefighting. But leaders can shape an organization in which people at all levels enjoy the freedom of taking volitional action by concentrating on a combination of certain contextual principles:

- (a) Create space for autonomous action.
- (b) Build processes for providing professional, as well as social and emotional, support.
- (c) Develop a culture that celebrates the

exercise of responsible willpower.

To exercise their willpower, managers must have sufficient freedom to take action. To develop a sense of personal ownership, they must not only have the space to take action but also be able to perceive and feel that space. Only when they are in that space will their ability to take self-initiated and purposeful action be realized fully.

The second principle refers to managers' perceived support for their action. Managers need different forms of support to be able to exercise volitional action -- supervisory support, professional support, and emotional support.

In order to act autonomously, managers must have a sense of the overall direction of the company and must feel that their supervisor is there to help them win. In the absence of clarity about and demonstrated commitment to the broader vision and strategy of the organization, managers' energy dissipates, a result of guessing games and frustration. Perceived supervisory support, by contrast, is the central source of inspiration, intellectual stimulation, support, and encouragement. Furthermore, managers need networks and personal relationships that provide both professional and emotional support. Professional support involves cooperative work as well as information or advice and is primarily problem-focused. It implies the sharing of information, knowledge, and experience that helps managers develop the right intentions and the desire to achieve them. Emotional support directly facilitates a person's ability to deal with the personal requirements of the job. It plays an important role in coping with stress or negative feelings as well as for building up action-inducing emotions such as courage, pride, and enthusiasm for the job.

### **Building a culture of purposeful action**

Creating an infrastructure that enables the freedom to act, inspiring leadership, and fostering support networks are decisive steps in creating a volitional

company. Organizational structures and management processes by themselves, however, cannot create volitional action and sustain it over long periods of time. All these interventions work only if the organization already has a tradition of active management. If it has not, structural interventions lead only to superficial effects, implying that managers start taking action shortly after they receive new degrees of freedom but that later there is the danger that their consciousness and awareness of choice will start decreasing and that they will become insecure about how to use their choices. As a result, they will fall back into their former behavioral patterns unless the company develops a culture of choice and develops its managers.

The key requirement for an organization that hopes to facilitate volitional action, therefore, is to create an action culture, and managers with the awareness, courage, and joy to discover and use choices. To unleash the willpower of their managers, leaders have to - and this is ultimately both the more difficult and the more important task - embed volitional behavior as the central element of the company's core values. Ultimately, it is values, not structure, that stimulate and sustain a manager's courage to exercise choice and his or her ability to enjoy freedom.

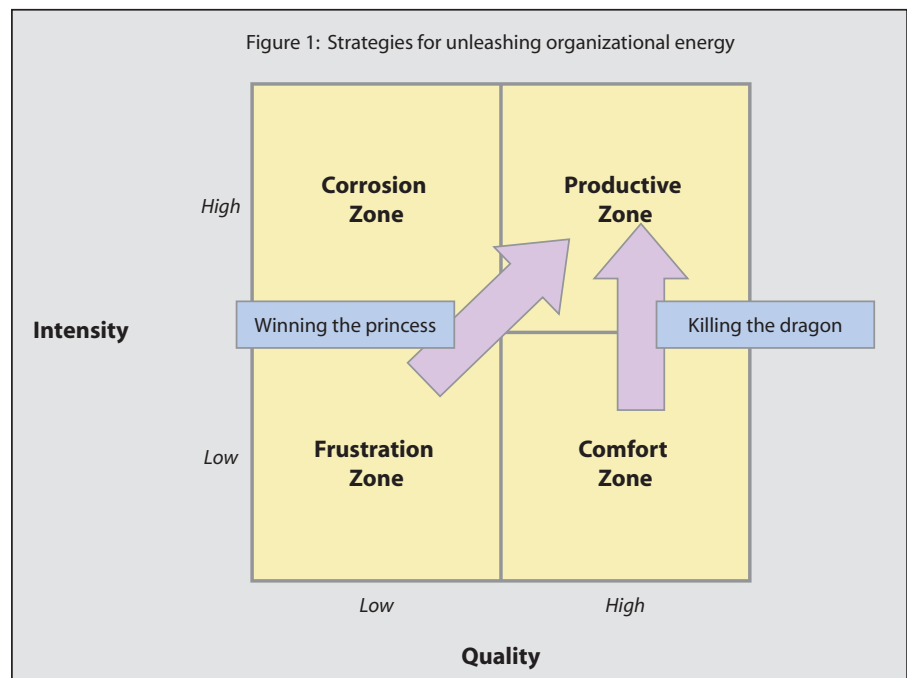
### Unleashing organizational energy for persistent, collective action

Bringing a context of purposeful action taking to life starts by engaging large parts of the company in focused, energetic activities. Such manifestations of the action potential of a company contribute significantly to its attempt to build an action culture. To build the capacity for determined, persistent action in many managers, leadership must unleash the force of intensive

energy in the company. Organizational energy is the most important driver of organization-wide action; it reflects the extent to which a company has mobilized its full action potential in pursuit of its goals.

Many executives have experienced the decisive difference between the productivity and momentum of highly energetic companies and their inactive or inert counterparts. They have seen the symptoms of a lack of organizational energy: Apathy and inertia, tiredness, inflexibility, and cynicism. And they know that highly energetic organizations can be ineffective if their energy turns corrosive: Their force is invested in selfish or destructive actions. By contrast, some have experienced the momentum of positively energized organizations which have fully activated their potential in the pursuit of their business goals. But only few executives have a real understanding of the different energy states and the strategies that they can use to unleash the action potential of their companies.

The typical energy states can be framed by two characteristics: Intensity and quality. Intensity refers to the strength of energy seen in the level of activity,



as well as the extent of emotional arousal and alertness. Quality of energy distinguishes between positive (enthusiasm, constructive efforts, and goal-oriented activity) and negative (anger, aggression, self-interest, and destructive actions) energy. The combination of these two dimensions leads to four typical energy states: The comfort zone (low positive), the frustration zone (low negative), the corrosion zone (high negative), and the productive zone (high positive).

Leaders have two critical tasks in managing the energy of their companies. First, they must mobilize organizational energy and focus it on key strategic initiatives. We have discovered two different strategies by which leaders can unleash and leverage the energy of their companies:

- (1) The "killing-the-dragon" strategy and
- (2) The "winning-the-princess" strategy.

Organizational energy is especially high whenever there is a common, external threat to be dealt with, such as a crisis, a hostile takeover, a market collapse, or a key competitor's successful progress. However, external threats do not necessarily result in high, positive energy. With the help of the "killing-the-dragon" strategy, leaders mobilize the company's energy and channel it through disciplined actions to overcome a clear and unambiguous threat.

The second type of situation in which organizational energy is often particularly high is in the case of an extraordinary opportunity, such as a vision that communicates great potential, a product innovation, access to a new market, or an acquisition. Leaders make use of this effect when applying the "winning-the-princess" strategy. They unleash positive energy by drawing the organization's attention to an exciting vision and enabling people to take self-initiated actions to pursue the dream.

The "winning-the-princess" strategy is particularly well-suited for moving companies from the resignation zone into a state of high, productive

energy. Predominant frustration is generally an indicator of a discrepancy between what employees think a company could be doing and what it currently does do. By giving managers the opportunity to

**Indeed, through their own efforts to systematize things, senior leaders often reinforce habituated work and prevent their people from taking the first necessary step toward building collective commitment and organizational energy – the ability to develop ideas and the capacity to imagine.**

contribute to this extraordinary result, leaders harness this underlying tension and transform it into productive energy. For companies in the comfort zone, the "winning-the-princess" strategy is less effective; it is often too difficult to mobilize the company in the face of overriding satisfaction and complacency. Leaders should rather make use of the "killing-the-dragon" strategy to drive their companies out of the comfort zone.

Leaders should not try to continuously drive a company to higher and higher levels of energy. High-energy phases constitute extraordinary effort for a company, and no organization can exist in such a state of permanent acceleration. So as not to endanger a company's basic action potential, and to maintain a long-term capacity, the second basic leadership task in managing organizational energy then is to sustain corporate vitality and momentum over long periods of time. In companies that manage their potential conscientiously, leaders orient strategy to a rhythm that alternates between phases of highly energetic, intense action and less intense phases on a lower energy level. After phases that require extreme effort, and after being pushed to their personal thresholds of stress, competence, and emotion, they plan rest periods and regeneration phases. Various dangers threaten this alternating

rhythm, such as when top managers continually push their company to its outer limit; or when too many projects are pursued all at once; or when difficulties arise in prioritizing or defining reasonable milestones.

Permanently increasing speed and expectations, however, accelerates energy consumption. In processes which are continually highly strenuous, energy often dissipates, regeneration phases are taken without supervision, or a general state of exhaustion sets in. Both individual, as well as collective, action does not take advantage of the fuel of organizational energy but suffers from organizational exhaustion and collective burnout.

The systematic mobilization, focusing, and maintenance of energy are key steps in a company's efforts to sustain its ability to manage change and innovation, and activate the action potential of managers.

#### **Creating a desire to act (a "desire for the sea")**

Last but not least, leaders who want to cultivate a company of purposeful action takers must create in their people the capacity to dream. Most managers are prisoners of routines. They do not have the time to dream. Some lack the openness of mind necessary for visualizing an exciting future and the opportunities that may lay there. Others may dream but kill those dreams immediately because they cannot imagine stepping outside their daily habits. Indeed, through their own efforts to systematize things, senior leaders often reinforce habituated work and prevent their people from taking the first necessary step toward building collective commitment and organizational energy -- the ability to develop ideas and the capacity to imagine. There is no recipe for creating dreams: How can one find a formula for crafting a seductive picture in managers' hearts, a space for adventurous exploration?

A metaphor coined by the French World War II pilot and philosopher, Antoine de Saint-Exupéry, reflects on some general guidelines for allowing

dreams to emerge: "If you want to build a ship, don't drum up your men to go to the forest to gather wood, saw it, and nail the planks together. Instead, teach them the desire for the sea."

The key requirement for activating managers' capacity to dream is to provide people with a challenge - a difficult goal. Easy problems do not seduce or excite. Difficult goals and challenges do. Finally, leaders must make the goal personally meaningful to people. To inspire managers, a "desire for the sea" cannot be abstract or mundane; it must be subjectively meaningful and emotionally captivating.

Ultimately, two things distinguish human beings from almost all other species -- the ability to dream, and willpower. These two wonderful capacities have allowed the enormous progress that human society has forged over time. Corporate leaders have many resources at their disposal - money, technology, equipment - but none is as valuable as their ability to mobilize collective action. As we move forward into the future, the task of any purposeful leader is becoming, more and more, to cultivate a company of action-takers by orchestrating people's imagination and willpower. **I**