



FINANCE &
MANAGEMENT
FACULTY

PERSONAL DEVELOPMENT FOR ACCOUNTANTS IN BUSINESS

A FINANCE & MANAGEMENT SPECIAL REPORT
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PERSONAL DEVELOPMENT FOR ACCOUNTANTS IN BUSINESS

A special report published by:
Finance and Management Faculty
Chartered Accountants' Hall
Moorgate Place
London EC2R 6EA
T +44 (0)20 7920 8508
F +44 (0)20 7920 8784
E fmfac@icaew.com
icaew.com/fmfac

Chris Jackson
Head of faculty
T +44 (0)20 7920 8525
E chris.jackson@icaew.com

Emma Riddell
Technical manager
T +44 (0)20 7920 8749
E emma.riddell@icaew.com

Rick Payne
Finance direction programme
T +44 (0)20 7920 8451
E rick.payne@icaew.com

Aude Bezler
Services manager
T +44 (0)20 7920 8508
E aude.bezler@icaew.com

The aim of this series of special reports is to provide faculty members with a review of a topical theme within the subject areas of finance and management, offering both analysis of the relevant theory and review of the practical application of appropriate management techniques.

Comments and suggestions should be addressed to Emma Riddell.

The information contained in this and previous issues of this publication is available (to faculty members only) on the faculty website at icaew.com/fmfac

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T +44 (0)20 7928 7770
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FOREWORD

TAKE TIME TO INVEST IN YOURSELF

From the first day that the faculty opened for business the committee members were adamant that we were not going to limit ourselves to financial management. We were aiming to cover the broad range of management skills that we need to develop our careers. One of our examiners described the ACA professional examinations as being like the Olympics. We train our minds to a pinnacle across a broad level of technical proficiency. After that some areas decline, others thrive, and we develop the leadership skills that will see us to the top. Hopefully!

Most good MBA courses will not accept candidates without a good few years' practical experience under their belts. Technical excellence will take you so far but after that we become managers, then directors and leaders. The content of this special report pulls together a selection of our best articles showing how to develop these skills.

It is ironic that these are often called soft skills but they can be the hardest skills to acquire and use. They are the fun bit of what this faculty does and we can always guarantee a big audience when we run events on these skills. But putting them into practice is the most difficult part.

As accountants, we used to have a reputation for being cold and perhaps more comfortable with numbers than with people. I think that is now history but we can all still get better at the 'people' aspect.

Our technical needs survey identified 'managing people' as one of the topics you most wanted to hear about from the faculty. Perhaps dealing with the most difficult person to manage, oneself, may be a good place to start! I am sure you will remember reading some of these articles in *F&M* in recent years but few will have read them all. We have organised them to provide a mini-continuing professional development (CPD) course in developing your career. In a time of austerity we wanted to help you fulfill part of your CPD obligation as economically as possible.



CHRIS JACKSON



Chris Jackson is head of faculty, Finance & Management Faculty, ICAEW.



Emma Riddell is technical manager, Finance & Management Faculty, ICAEW.



PERSONAL DEVELOPMENT FOR ACCOUNTANTS IN BUSINESS

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CPD PLANNING

This report is designed to help you develop yourself, your career and your future. Here is some advice on how to use it as part of your continuing professional development (CPD) planning. You can also use the CPD planner below to note your actions and requirements as you progress through the articles.

We recommend that you take the following approach to your CPD requirements: reflect, act, impact and declare.

Reflect

Consider your development needs and how you can meet them, and create a plan of action. Think about:

- expectations – what do others expect of you and what standards do you expect of yourself?
- changes – the main changes affecting you in your role;
- responsibilities – what are the areas of responsibility for your role?
- environment – what are the main business environment issues for you? and
- knowledge gaps – what do you need to know about?

On reflection, you may decide that you do not need to do anything to meet your CPD needs if, for example, you are not currently working.

Act

The following activities, if relevant to your role, could count as CPD:

- technical reading;
- learning at work;

- meetings with experts;
- conferences;
- courses and seminars;
- online learning;
- workshops with your peers;
- reading magazines, newspapers and journals; and
- registering for updates and email alerts.

Impact

Evaluate the effectiveness of what you have done. Are you satisfied that your actions have enabled you to meet your objectives, or do you need more work in this area?

Declare

Each year you must declare your compliance by making a CPD declaration between 1 November and 31 January.

Provide evidence

Every year some members are asked to provide evidence of their compliance. We recommend that you keep an online record of your CPD during the year so that you can submit this easily if required to do so. You can set this up by visiting icaew.com/index.cfm/route/150938 and following the instructions.

CPD PLANNER – make your notes on the report’s content here

GETTING TO THE TOP

- How to succeed in a senior finance role
- Navigating the political landscape
- The benefits of wise mentoring

CREATING AN IMPACT

- Making the right impression
- Networking – how to get the best from contacts

WORKING BETTER

- Planning and prioritising
- Learning the art of delegation
- Saying ‘no’ – why is it so hard?
- How to hone your negotiating skills

MANAGING PEOPLE

- Managing virtual teams
- Why should anyone willingly follow you?
- Dealing with conflict

WHY FINANCE NEEDS 'SOFT' SKILLS

High-value, experienced finance staff are nowadays expected to operate in a range of different environments, adopting a multi-faceted business partner role. **Neil Wolstenholme** and **Simon Bennett** explain the softer skills they need to do so successfully... and how to acquire them.

Judging the finance function solely on its technical expertise, analytical skills, independence and integrity is no longer enough. Although these traditional accounting-based strengths remain its bedrock, the environment in which finance operates has changed rapidly. Moreover, it will continue to evolve faster as companies seek to respond to increasingly dynamic marketplaces.

Today, competence in the 'softer' skills more common to HR or marketing – influencing, negotiating, communicating, visioning, people management and coaching – is a prerequisite for finance professionals if they are to be effective in roles that nowadays can range from scorekeeper through to steward, analyst, adviser and partner. They also need to manage the interdependencies and potential conflicts between these different roles.

However, cultivating soft skills without sacrificing the core technical and analytical skills of finance can be a significant challenge for both individuals and finance functions. To meet that challenge, major companies such as BP and Unilever, and some individuals, are employing a range of mechanisms, which we will come to shortly. First, some context.

How is the environment changing?

Finance has become geographically and functionally fragmented with the development of shared services and outsourced business centres, often offshore. Traditionally, these have focused on transaction processing but increasingly organisations are pooling other capabilities into 'centres of expertise', such as management information and reporting, or technical specialisms like tax, treasury and audit.

Finance people will naturally often staff these roles, but some businesses also deploy non-finance resources. Reasons given for deploying non-finance staff include the view that they have a better understanding of the

information produced and its uses. Some also believe that they are better equipped culturally and behaviourally to interact with diverse and geographically remote multi-national customers.

It is clear that most businesses cannot afford the high overhead associated with rigid segregation of finance roles. They are combining different aspects of the finance role within complex and highly visible 'business partner' roles. In some instances even these roles are staffed by outsiders. If finance professionals are not right for certain positions, businesses are becoming increasingly creative and assertive in seeking different solutions.

How has finance responded?

Behaviour and culture change is perhaps the most difficult management challenge and some finance heads undoubtedly failed to recognise the scale of the task involved. Consequently, they responded with solutions designed for technical skills, which can be learnt and remembered, but not geared for behaviour changes, which must often be practised and reinforced daily. They failed to consult with the business or leverage HR help, and over-relied on a single mechanism for personal development, normally formal training. For these people, the desired self-starting, open-minded culture of change within the finance team remains as elusive as ever.

More positively, we now see more and more finance functions actively seeking input from the business to define their overall structure, job descriptions for key roles and the overall 'competency profile' for the function itself. Some do this informally, some undertake periodic 'projects', and more are looking to implement structured, regularly-used systems for sharing information and developing the 'finance strategy'.

Of the leading finance functions, most work very closely with HR to help develop the service as a whole, and the individuals within it. It is commonplace to see a diverse range of techniques and processes used to manage team development, including organisation-wide competency profiling, succession planning (eg within the finance function), 'talent' management and personal development programmes.

Formal training is still important, with more emphasis placed on developing the softer skills now recognised as critical building blocks. However, it is often difficult to make such training directly relevant to individual roles, and the benefits diminish fast if people find that they cannot put learning into practice immediately.

Partly because of this, other techniques are routinely deployed, such as:

- mentoring and personal coaches – where outsiders work alongside key finance staff, helping them make the right decisions both from work and personal development viewpoints;

'Actively seek opportunities to broaden your horizons and take on fresh responsibilities'



Neil Wolstenholme is a partner with Kurt Salmon.
neil.wolstenholme@kurtsalmon.com



Simon Bennett is a director with Kurt Salmon.
simon.bennett@kurtsalmon.com

BEHAVIOURS REQUIRED OF A FINANCE BUSINESS PARTNER

Be proactive	Constantly identify opportunities and generate ideas to drive value for the business
Anticipate risks and opportunities	Balance short-term demands with longer-term growth consideration
Challenge the business	Engage senior management to ensure options are evaluated and business decisions are robust
Be accountable	Be willing to stand by decisions made
Provide insight	Constantly identify opportunities and generate ideas to drive value for the business
Be analytical	Bring evidence-based rigour to decision-making and the tools/methodologies to support the key business processes
Be flexible	Always look for the simple, practical solution to issues
Be pragmatic	Again, always look for the practical solution to issues
Be control-orientated	Understand the stewardship role of finance and that the business partner role enables the development of preventative controls

- self-directed learning – eg ‘e-training’ (which has been around for years but is often not used effectively). Companies look to individuals to use a variety of self-accessed learning materials, internally and externally, to develop themselves, and also, importantly, to reflect that development in their career planning as well as validating the learning during performance reviews;
- rotation and on-the-job development – where finance people are moved into different roles inside and outside finance as part of a multi-year development plan. By gaining exposure to sales, marketing, operations, etc, individuals develop a broader business appreciation, expand their network, develop communication skills and increase their business value; and
- targeted recruitment – which remains an important way to add new skills. Increasingly, companies are moving away from simply employing bright young accountants in more commercially-focused finance business partner roles, and hiring those who have more ‘grey hair’ through wider exposure to different roles and businesses. Recruitment firms are also now better attuned to the broader skills expected from candidates.

What can the finance professional do?

‘Behaviours required of a finance business partner’ (below) shows the behavioural traits and skills of today’s typical finance business partner. There are numerous things you can do to obtain them and ensure you thrive in this fast-changing environment. Here are just five:

Network effectively

Cultivate relationships within the organisation, as well as former colleagues and contacts, and seek advice when you encounter ‘difficult’ situations. Typically finance professionals can feel uncomfortable when faced with emotional arguments, conflict or demands for ‘certainty’ from colleagues. Actively seek advice, at the time and afterwards. Reciprocate by sharing your own experiences and offering advice.

Look and learn

Watch, speak to and learn from those outside finance. Individuals in operations or sales and marketing will often adopt different approaches and tackle issues in different ways. Open your eyes and be aware of the benefits of adopting different strategies in particular circumstances. For example, people who work in sales and marketing

often naturally focus quickly on ‘visioning’ desired outcomes and this can open up totally different perspectives than those gained from a detailed, analytical approach.*

Take time to invest in yourself

Participate in web seminars, join communities of practice, read widely, and increase your own intellectual capital. Make structured and targeted use of the self-directed learning from your company, the Finance and Management Faculty of ICAEW and others.

Have a skills-focused development plan

Reflect your objectives in your personal development plan (create your own if your company does not use them). Decide where you need to develop, agree specific actions with your management and make sure you follow them through. Demonstrate what you have done and how you have transferred what you have learned into practice, and ensure this is recorded in appraisals.

Embrace change

Actively seek opportunities to broaden your horizons, take on fresh responsibilities outside your comfort zone, get involved in projects and move through different roles within the organisation as part of a structured career development plan agreed with the company.

Summary

Businesses today need their high-value, experienced finance staff to operate in a range of different environments, effectively executing the many different facets of increasingly complex and diverse business partner roles.

An individual career journey might now embrace shared services, centres of excellence, technical specialist and business facing roles. It is a significant opportunity. Using the advice offered here, an individual will develop the business knowledge, technical and behavioural skills required for a rich and rewarding career; with their value fully recognised by employers.

* This type of ‘visioning’ typically deploys a range of mind-mapping techniques to open out an issue and develop broader perspectives on, for example, desired outcomes of different stakeholders. It can often result in identification of new opportunities and approaches to even familiar issues.

This article was first published in *F&M* 156, June 2008.

HOW TO SUCCEED IN A SENIOR FINANCE ROLE

Are you wondering how to achieve – and then succeed in – a senior finance role? Headhunter **John Collier** looks at the key qualities needed, and the right route to take.

In 2007 I wrote an article in *Finance & Management (F&M 142)* about the essential qualities needed for success as the chief financial officer (CFO) of a large listed company. Below I offer some further advice, updated for the effects the 2008/9 financial traumas have had on the business world.

Again, my main focus is on the knowledge and skills necessary for success in a listed company. But I also make reference to the CFO role in other large businesses, including those owned by private equity. I make suggestions about the best career path for arriving at a top job in the first place and, crucially, I give tips on how to get noticed – so that headhunters like me will call to discuss the sort of job you really want!

The market

There is always a demand for good CFOs; the precise skills needed may shift over time but the core requirements remain the same. CFO appointments with large public companies have a high profile (and therefore need people who can cope with the pressures that can bring), but roles that are not always in the public eye can be just as demanding and rewarding.

This was, until recently, especially the case in highly-gearred companies backed by private equity (PE). Prior to summer 2008, it felt as though the business world would soon be controlled by PE. Large listed companies were being taken private on a regular basis using cheap, readily available debt to gear up. The businesses were then run for maximum returns, the objective being an early exit making fortunes (if things went well) for the equity investors – of which the CFO could well be one.

Hence such a CFO needed the ability to manage the information needs of the PE investors, to reduce costs and to maximise short term profits. Ideally they would also have prior experience of a successful exit – probably an initial public offering (IPO).

Now the supply of cheap debt has all but dried up, and the opportunities are different. Good CFOs are still needed – but this time with the ability to handle complex financial re-structuring and manage for longer term sustained growth. Driving cost savings

and increasing efficiency – often through small incremental initiatives – are often what is needed. So different skills need to be honed and showcased for this different market.

The FTSE larger listed companies sector

There are also important differences within the larger listed companies sector (as the analysis, below, shows). So it is helpful to have a realistic goal. Some companies in the FTSE 350 will not be for you... ever. But others might, if you manage your career in the right way. Take a note of the CFO abilities each sector division requires.

FTSE 30 – the top 30 companies

These businesses are huge and global. Their scope is vast and their boards often quite large (up to 20 directors or more) – including people from each of the major markets where the group operates. Some of them are listed not only in London but perhaps New York, Tokyo and Hong Kong as well – different markets with different reporting requirements and cultures.

Balance of the FTSE 100

The next grouping is the balance of the FTSE 100. Again most of these are organisationally large – although occasionally market sentiment may ramp a share of an organisationally more modest-sized one so that on market value it creeps into the bottom end of the FTSE 100. Boards tend to be smaller (up to 12).

FTSE 250

And then there is the FTSE 250 where companies vary hugely in size and complexity. Market capitalisation can be a poor determinant of what really goes on within each business. But these companies, just like the FTSE 100, have to comply with the UK Corporate Governance Code (previously known as the Combined Code) or explain why they are not doing so. They do feel different and act differently from many of the remaining 2000 or more UK listed companies.

Main requirements

If you are setting your sights on a job as CFO of one of the larger listed companies, here is what you should be:

- technically strong and up to date;
- prepared to be a business partner to the chief executive officer (CEO);
- prepared to be more strategic;
- able to communicate, persuade and influence;

‘If you do not think you will get on with the CEO then do not join the company’



John Collier is a director of headhunting firm Clive & Stokes International. He has also been secretary general of ICAEW and a partner at PricewaterhouseCoopers. jc@cliveandstokes.com

‘Do not totally believe the cliché that modern technology frees up accountants from the drudgery of number crunching’

- able to handle greater exposure to the investment community; and
- able to handle the formalities of the audit committee and to develop a good relationship with its chairman.

Let me take each of these in turn.

1. Technically strong

It is rather taken for granted that you will have laboured over International Financial Reporting Standards (IFRSs) and the ever-increasing complexity of our corporate tax regime. You will be up to date with the Listing Rules, the requirements of the Companies Acts, Sarbanes Oxley (perhaps), the UK Corporate Governance Code and any special regulatory requirements. You will probably not be company secretary as well as CFO (as is often the case with smaller companies) but unless you have a lawyer on the board or as an integral part of your senior executive management team the board will look to you as a first point of call on most legal matters.

2. A potential business partner to the chief executive

This is normally the key relationship for a CFO. Whatever the other attractions, if you do not think you will get on with the CEO then do not join the company. On the other hand this can be a highly rewarding relationship.

It does not always mean playing second fiddle to the CEO. Not all CEOs are outgoing and charismatic (though lots are). There are a number of examples where the CFO is the public face of the business especially where the CEO is based overseas (usually the US). Who else on the board or within the top executive team has the same breadth of knowledge across the whole of the group’s span of activities?

Yet you must never lose your independence of mind or be afraid to speak up. If the CEO seems to want a ‘yes man’, think twice before taking the job.

3. Prepared to be more strategic

You will no longer be seen as just a numbers person, and will need to be able to work with others on the board as a team. However, do not totally believe the cliché that modern technology frees up accountants from the drudgery of number crunching and enables them to contribute across the whole range of a business activity. If the annual report and accounts plus the 10k is 300 pages long, you are the one board member who does have to know what is in there. It may be a huge business but look round the board table and ask who else will have done so – certainly within the executive team – and you will have your answer.

4. Able to communicate, persuade and influence

This ability will be more important than ever. Being technically up to date is not enough. You have to be able to communicate technical complexity in a straightforward

and understandable way – beginning with your CEO, then the wider board and your investors, not forgetting the press and other media. How do you deal with journalists, what do you look like in a webcast and how much can you say to members of the public? Often the medium really is the message. How you say something as a CFO is sometimes nearly as important as what you say.

5. Prepared for greater exposure to the investment community

Your shares will be more widely followed, and by better analysts, than those of a smaller listed company. Most analysts following big companies are deeply knowledgeable technical accountants who have followed a particular sector for years. Can you hold your own with such people? It’s vital that you do.

6. Able to handle audit committee formalities and forge a good relationship with its chairman.

There is no doubt that in the last few years the audit committee has introduced another significant dimension to the CFO’s working life. Not only are you a part of the team led by the CEO, not only does the board chairman look to you as the keeper of the numbers round the boardroom table but there is now an audit committee chairman on whom the other, non-financial members of the board, increasingly rely. An audit committee chairman knows this, has a public profile and has a report in the annual report and accounts – so they will take a very close interest.

Whatever the size of the business, the audit committee chairman’s relationship with the CFO is a critical one. But this is particularly so within a FTSE 350 business. You will have to accept a degree of formality not found within smaller companies. Some audit committee chairmen make a point of keeping some distance from the finance director; others see it as more of a mentoring role. This is another relationship you will need to weigh carefully before taking a job, and work hard on after doing so.

The best career path?

It is also worth considering how many moves you should make to gain experience in a range of roles and sectors without giving the impression of failing to stick at anything for very long. Even if you achieve the ‘right’ number of moves on your way upwards – what is the ‘right’ route? Internal audit, subsidiary finance director, group financial controller, and then group CFO, for example? Or straight from a smaller company CFO role (mid cap or even AIM) to the top?

There is no ‘right’ answer, but if newly qualified in a Big Four firm and planning my future, I’d probably work my way up in a bigger corporate environment. If you start with small companies you tend to stay with smaller companies whereas there is greater movement from larger to smaller.

'It is better to be proactive and manage your own profile than to be noticed for the 'wrong' reasons'

When the 'ideal' route is not possible

The 'ideal' route is not always possible, though. What should you do if you are out of work, or feel the way forward is blocked? There may be all sorts of reasons why you are out of work – a takeover, rationalisation involving closing your part of the group, a family or personal illness. So how do you get back in?

Applying for advertised jobs (increasingly online, though the *Financial Times*' Thursday supplement is also good) is one route. But be warned: good-sounding jobs can attract literally hundreds of applications. You need to make sure you meet all the requirements listed and try and do something in your application to make you stand out a bit from the crowd.

Taking an interim role is clearly another option and might give you the experience you want but, again, be warned: experienced interims are usually preferred over people who are really looking for a permanent job.

If you are employed and the way forward seems to be blocked then your best bet is to make the most of what you have and, for example, get involved in preparing for investor presentations, attend audit committee meetings (and making a good impression when you do) and do important, high-profile project work to get the experience and to get people's attention too.

Getting noticed

But whichever route you take, you definitely do need to get noticed. I recommend:

- networking;
- public speaking and talking to the media;
- impressing your non-executive directors;
- taking on a non-executive director role yourself;
- impressing the City;
- being part of a 'success story'; and
- taking calculated risks.

Networking

This comes naturally to some, but for most of us requires application and effort. At each stage of your life you get to know people, often very well but then you (or they) move away or get promoted and in spite of your best intentions contact gets reduced to Christmas cards (or e-cards) and then fades away altogether. The best thing is not to let relationships fade but, if you do, take heart. A call out of the blue to someone you have not spoken to for years will almost certainly be warmly welcomed and a lunch together can be arranged – and then away you go.

Public speaking and talking to the media

It is far better to be proactive and manage your own profile than it is to be noticed for the 'wrong' reasons, eg for being highly paid although your profits and share price are going sideways.

Impressing your non-executive directors

Impressing your non-executive directors (NEDs) (and especially your audit committee chairman) always helps. Although the days of large non-executive portfolios are mostly behind us, many non-executives (usually retired from full time executive work) have more than one appointment and inevitably compare the performance of the executives in those different businesses.

Taking on a non-executive appointment yourself

The upside of becoming a NED yourself is that it lets you see another business and increases your exposure to other senior business people. The downside is that non-executive work can be very demanding especially if you are not only required to serve on the audit committee but to chair it as well.

Impressing the City

Impressing analysts and your shareholders is vital. Even if you are not a natural presenter and are not too confident on your feet you must work at gaining confidence and using PowerPoint really well. Striking the right balance between confident candour and sticking to the precise line set out in your PR material or the public statement is an art, and getting it right can do you a lot of good. When people like me are later taking soundings on your suitability for a prospective senior role, we will hear positive things.

Being part of a 'success story'

If at all possible, be part of a success story. If you have chosen the right company to join, are working in a business sector with potential, and have a good CEO then some of the positive 'halo' for your business in the market will reflect on you. So as part of your career route, think before you join, get in at the right time and make sure you respect the CEO.

Taking calculated risks

Be prepared to take risks – but only calculated ones. If you believe a business which has been going through a bad patch may be about to turn, or you believe in an (as yet) untested strategy, or you think you can work with the CEO – then go for it.

And finally... ask around

However strong your desire for a senior finance role, you do need to do your due diligence before taking any post. This may seem obvious but if you are offered a big step up your objectivity may suffer. So ask friends, colleagues and people you know in the investing community and listen to what they say.

This article was first published in *F&M* 177, May 2010.

NAVIGATING THE POLITICAL LANDSCAPE

Getting good business results is not purely about learning your trade. Below, **Siobhan Soraghan** explains how best to find your way through the hidden 'political' issues in your office, to achieve optimum outcomes...

A consultant colleague called me recently to cry on my shoulder. He had upset one of his major clients and was asked to leave the assignment early. As someone strongly influenced by the results of his most recent project, he was feeling completely deflated.

Piecing the story together it emerged that, despite the quality of his work, my friend had failed to spot the signals preceding his demise. The managing director (MD) for whom he had been conducting the project had felt threatened by its conclusions and resentful of the direct manner in which they were delivered. My friend, not realising the prevailing 'command and control' culture in which people deferred to their MD, had diminished him in front of his senior team.

Gradually realising that he had been exclusively absorbed in the technical aspects of the task, my friend began to accept that he had another duty to himself and to his business – that of developing an intelligent, proactive approach to what he would have in the past referred to disparagingly as 'politics'.

Meeting your own and others' needs

So what is 'politics'? Definitions include 'the use (or misuse) of power to achieve goals', and 'the study of influence and the influential'. I like to define it as the interactive process through which people seek to meet their own and others' needs.

These needs can be professional and/or personal in nature, and they can change over time. People are not always consciously aware of their needs; and even when they are, they might choose to articulate them.

The tool I offer below provides a method for gaining valuable insights into the unique cocktail of needs of each key figure in your political landscape, to optimise your

ability to influence and collaborate. This is particularly useful today, when professionals have to integrate quickly and effectively within a series of organisations over the course of their career. Furthermore, with progressing seniority one's network of colleagues and stakeholders becomes more complex, so being adept at navigating through diverse organisational landscapes pays valuable dividends for all.

The approach I describe will help you decide with whom it is important to be connected, and how. In other words it can help you develop a high degree of political intelligence.

A rich network of threads

A useful metaphor for the political complexity in any working environment is that of a fabric composed of a rich network of threads between the various key figures. Each of these 'actors' (those active in your landscape) has a power position relative to that of others that is not necessarily obvious. In entering an organisation (eg as a new recruit or a partner/stakeholder), or embarking on a new project that spans parts of the organisation unfamiliar to you, you will need to grasp this and weave yourself into the existing fabric, choosing wisely which new threads to create such that your professional and personal objectives are best met.

Your own priorities

To begin with you need to be very clear about your own priorities, and your needs in relation to these. For each project or contract, you need to keep in mind your key objectives, the resources required to address them and the key obstacles likely to get in the way. This will make it easier for you to highlight the key players relevant to your objectives.

Win-win outcomes

However, this is far from being enough. The people whose support and input are critical to your goals may have completely different agendas from yours, even if they are working in the same organisation and towards the same goals. To maximise your influence and gain effective collaboration you need also to pay exquisite attention to their objectives and needs, and seek win-win outcomes together.

A pragmatic and powerful approach

The 'political insight mapping tool'* provides a pragmatic and powerful approach to making sense of your political landscapes (see Figure 1, opposite). Here is an outline of how to use it.

1. Think of a key project in which you are currently involved. List the main relevant 'actors'. For each of

* © Siobhan Soraghan 2007.

'A useful metaphor for the political complexity in any working environment is that of a fabric composed of a rich network of threads between the various key figures'



Siobhan Soraghan is founder of Active Insight, working with leaders and executives on strategic thinking, collaboration with peers and sustainable management.
siobhan@active-insight.com
www.active-insight.com

‘You need to think of the quality of the relationship through the other person’s eyes’

them, consider carefully their ‘power’ in the project from your perspective, and make the size of the circle to represent them on your map reflect this. Then consider how easy it is for you to access them. They may be at a distant location yet your paths may cross regularly. They may be in the office next door yet rarely free to meet you. The distance you put between them and you on the map should reflect their ease of access for you in real life. Similarly if any actor deals frequently with another and/or they have a strong connection for other reasons, show this by placing them close together on your map. The key players are plotted around you at the centre, and you could colour code the specific stakeholders (or the team/department) to which they belong.

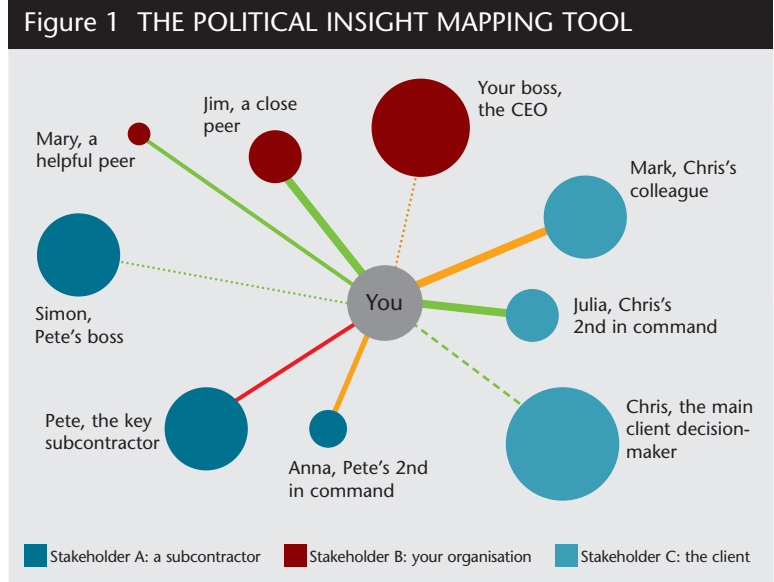
2. With each player, draw a line between you and them, its thickness denoting the volume of communication traffic between you. Show the quality of the communication by the colour of the line, eg green for good, amber for vulnerable or shaky, red for poor or damaged. Your map starts to look something like Figure 1.

3. Look carefully at your map. It should now be possible to see whether all the ‘threads’ are optimised for the successful achievement of your goals. Straight away you can begin to see the areas of criticality. In the fictitious example below, you can guess that the poor connection with Pete poses a problem and that the relationship with the client (Chris) is less healthy than the ideal because the communication is sparse. In my friend’s example, he had underestimated the size of the MD’s power in relation to his own, and had assumed a good connection by virtue of his own sense of integrity and his quality work. You need to think of the quality of the relationship through the other person’s eyes.

Looking at the map again, you may spot that a key person has possibly been neglected. You may also spot positive opportunities, eg someone you know well may be close to a difficult-to-access key player and might offer an alternative route to them. On the other hand, you might realise that someone close to you who is not that vital to your goals may be taking an inordinate proportion of your valuable time and effort, highlighting that you need to manage your boundaries. The relationship is a joint creation between you, and it is possible to influence it yourself by what you choose to do from this moment on.

4. Now let us add a level of sophistication to your map. Take in turn each of the relationships or ‘threads’ that require your attention and try to answer the following questions for that relationship:

- name the ‘actor’ and their job title;



- why are they important to your goals (eg their possible access to resources; their relevance to the key obstacles)?
- what are the top three outcomes that the organisation expects the role this person occupies to deliver?
- what are the top three priorities and/or concerns for the person inhabiting this role at the moment:
 - professionally?
 - personally?
- how might your goals be relevant to theirs?
- in their relationship with you, what might be their current needs and their hoped for desired outcomes?
- what are yours?

(If, in the above exercise, you find that you have insufficient information then you need to undertake some further exploration.)

By now you should be getting a sense of how attractive it is for each of these individuals to engage with you in achieving your goals. Often their attitudes and behaviours towards you will have little to do with you as a person and more to do with the wider span of what is going on in their world. If the attraction for engaging with you is low, you need to work hard to make it important and attractive enough by communicating its significance in terms of what matters to them.

5. Now do a reality check. In the relationships on your map, how well are each party’s needs and expectations actually being met? In light of this, do any of the lines’ colours need to be amended? An appearance of bonhomie does not mean that all are satisfied with the

‘An appearance of bonhomie does not mean that all are satisfied with the exchange’

exchange. Likewise, a tough exchange does not necessarily mean failure to deliver what was required.

6. Now prepare to act, first identifying the critical relationships. Management guru Stephen Covey talks about the ‘emotional bank balance’ of each party in a relationship. He explains how trust is built when each person makes deposits into the other’s account. A deposit is all the more valuable if it is chosen carefully to be of particular worth to the recipient. It is easy to make unintentional withdrawals – which, ironically, can occur through offering something that is not valued by the recipient, or behaving in a way that does not meet the expectations of the other party (easily done, if they are from another culture). So if you are finding a particular relationship challenging, consider whether there has been an unwitting withdrawal. If that is the case, it is critical that you put it right – even if it was not of your own doing, eg your predecessor having broken a confidence – or it may remain a barrier.

Another useful tack is to find common ground with the other person (eg shared goals of the organisation or project) and remind them that you want the same

things. Given your understanding of their key needs, what can you offer them that they value? Also, look for latent opportunities. Has any ‘credit’ been building – and if so, what requests might you wish to make? It is important that you do ask for what will help you, so long as it is realistic, appropriate to what others have to offer, and not a demand. Be prepared to negotiate.

7. Finally, after all your quality thinking, what do you conclude are the most important things that need to happen? And what are you going to do next?

Conclusion

Using the above approach you can gain vital intelligence about critical relationships in your political landscape. The resulting insights should then enable you to build more respectful, collaborative business relationships for the mutual achievement of desired outcomes.

This article was first published in *F&M159*, October 2008.



THE BENEFITS OF WISE MENTORING

During challenging times it can be invaluable to have a mentor for support and guidance. **Linda Aspey** offers some ideas towards making mentoring work well for everyone involved.

Who comes to mind when you think of a mentor? A teacher? A peer? A wise old uncle? A former boss? In fact, anyone can be a mentor – young or old, from personal or professional sources, on a formal or informal basis, individually or within a group. However, mentoring is mostly performed on a one-to-one basis, where a less experienced person turns to a more experienced one for support and advice.

Imagine that you have just started a new job and you are navigating the unclear waters of the organisation. Or you are preparing for an initial public offering (IPO), learning how to deal with and make credible presentations to the banks. Or you have been given the new and daunting task of implementing an enterprise resource planning (ERP) system. In such situations, chewing things over with a mentor can help.

Who makes a good mentor?

Whether seeking a mentor, or interested in being one, certain things are required. The first of these is impartiality. A mentor's focus should be solely on a person's learning and development. So, while line managers can support, coach, guide, and advise, their primary responsibility for the performance of those they manage means they lack the 'distance' to be true mentors to those they manage.

Some core personal qualities are also important. Research amongst finance professionals, conducted in 2008 by Aspey Associates, showed the following five main qualities to be considered important.

1. Trustworthiness

Being able to speak freely in the knowledge that you will be taken seriously, that your mentor has no agenda other than your success, that you can trust their judgement, and that what you say will not go further, is essential for an effective mentoring relationship. (Remember, though, a key element of this mutual trust is defining and agreeing its limits at the start – so that later, particularly if a risk is highlighted, you both know what is regarded as confidential, and what the proposed course of action is when something cannot be kept so, legally, morally or financially.)

2. Experience

People generally want their mentor to have faced, and successfully overcome, similar problems to those that they themselves face. The mentor does not need to know the mentee's job inside out, or even to work in finance, but they do need an awareness of the likely issues and the wisdom to know how to manage them. In reality, most mentoring conversations are around dealing with relationships, developing political 'savvy', solving problems, making decisions, developing

'It is important to be clear about your goals and what you would like to get from mentoring'

broader business awareness, becoming an effective leader. The mentor's role is to listen, ask shrewd questions and offer alternative perspectives.

3. Honesty

Equally important is the mentor's ability to be a 'critical friend' when needed: offering challenge, feedback, drawing attention to blind spots, and providing a fair balance between support and stretch.

4. Humility

A skilled mentor is a mixture of coach and adviser – using a coaching style to help the mentee think effectively for themselves and, only when relevant, offering direct advice. If a mentor is doing most of the talking, their ego and experience may be getting in the way.

5. Enthusiasm

A good mentor is someone who genuinely wants to be one. People take on mentoring roles for all sorts of reasons: to be involved, to give something back, to see another person's career develop, for their own continuing professional development (CPD), to develop their skills and knowledge. Whatever the reason, willingness and commitment to putting in the time are essential.

Where to find a mentor

If your organisation already has formal mentoring processes in place, and you feel that they are relevant to your needs, obviously that is a good place to start. If not, or if you would like to find one yourself, you will need to draw on your network. Who do you trust? Who has inspired you? Who has experience and enthusiasm that you could benefit from? It might



Linda Aspey is managing director of Aspey Associates.
linda@aspey.com
www.aspey.com

'A key element of mutual trust is defining and agreeing its limits at the start'

be someone you work with (but not for), a person who is unrelated to your work, a previous line manager, someone from an organisation you previously worked for, or an individual you met on a course. You could apply to join the ICAEW's F-TEN programme*, offering peer group learning, networking and mentoring. You could even approach someone you do not know, but admire. The sources of mentors are many.

How to get the most from mentoring

It is important to be clear about your goals and what you would like to get from mentoring, and for you both to agree these, along with success criteria. The relationship does not need to be overly structured but it must feel purposeful. Even if you are to meet only occasionally, you will both benefit from agreeing the main elements of the overall 'contract', eg:

- the confidentiality framework;
- the meeting arrangements (frequency, duration of sessions, duration of the relationship, review points, venue and format of meetings);
- whether or not your mentor is happy to be called at other times; and
- what to do if it is not working for either of you.

In relation to the last point, regular cancellation can signal ambivalence, a lowered commitment or a feeling that the mentoring 'is not working', so it is useful to discuss how you will raise this in a constructive, professional and timely way if it does arise.

Interested in becoming a mentor?

What if, rather than seeking a mentor, you are considering becoming one? A useful starting point is to check whether you tick the five boxes on what makes a good mentor. Do you have the time, energy and skill? Can you add value – and if so, how? What do you want to get from it and can you balance this with the needs of the mentee?

If you are asked to mentor someone within your own organisation, having an initial conversation with their line manager can clarify that the mentoring itself is confidential and is about the mentee and their development, and that you are not taking the role of a manager.

I would recommend that you read up about mentoring so that you are well prepared and, if some relevant skills training is on offer, that you take the opportunity to brush up on yours.

* The ICAEW's F-Ten programme is a peer-to-peer leadership network helping potential future leaders make the transition from finance specialist to business leader. Contact lydia.harrison@icaew.com

For the mentoring sessions themselves, a good road map is provided by the acronym CLEAR, standing for:

- contracting;
- listening;
- exploring;
- action planning; and
- reviewing.

However, the quality of the listening, conversation and relationship matters more in mentoring than whether or not a structure is used.

Conclusion

Mentoring has been described as the ultimate win-win business tool – where the employee, the mentor and the organisation all derive benefit. Usually the mentoring relationship is time bound, and its end needs to be planned for, if it is not to come as a shock for both sides. However even when a formal mentoring arrangement has ended, many mentors and mentees continue an informal friendship that can last a lifetime.

The original version of this article was published in *F&M*169, September 2009.

FURTHER READING

David Clutterbuck, *Everyone Needs a Mentor: Fostering Talent in Your Organisation*, CIPD Publishing, 2004

MAKING THE RIGHT IMPRESSION

Why do some people get noticed and promoted or preferred at work, while other equally talented and diligent colleagues do not? It could be that the 'overlooked' ones are unaware of the importance of impression management.

Val Singh and **Susan Vinnicombe** explain how it works.

What is impression management (IM)? A bit like branding a product by advertising and packaging its properties attractively, IM is about building your reputation through promoting your qualities, strengths, aspirations and the added value that you can bring to your employer.

IM is a social psychological process whereby an individual seeks to influence others' perceptions of his/her image, and hence achieve more favourable outcomes. As with any such tool, it has upsides and downsides, but it can be used effectively and positively, as we shall see.

Why is it necessary? IM plays a greater role for those seeking advancement. In busy or flatter organisations many are hoping for promotion or challenging tasks that help build reputation. Some will use IM to inform their manager that they seek development, challenge and advancement.

For their part, managers often assume that those who do not push themselves forward are not seeking promotion. They may be so busy that when opportunities arise, and there are several people pushing forward, it is easier to select from that group than consider why others are holding back. In organisations – even those promoting meritocracy – it is necessary to be seen as ambitious, committed and talented, as well as being good at the present job.

Further, there are often circumstances in which managers may have infrequent direct contact with their staff – eg, in the case of a project finance team. Projects usually require involvement at a different location for a considerable period of time, reducing opportunities for internal visibility. In such contexts, impression management may be especially important.

Using IM to move ahead

Remember also that unless the gatekeepers to where you want to be know of you, your performance, your ambition, your commitment, then you are unlikely to be noticed on an equal footing to those who are

known. Having informal mentors and advisers, good relationships with past bosses and others above you can help in the informal advocacy and sponsorship needed for senior positions and important opportunities.

How to use IM

We have identified three sets of IM practices that managers and professionals use to build their own reputation. Each set includes some short-term tactics and other longer-term strategies.

1. Manager-focused IM ('ingratiation')

People set out to make a good impression by helping their manager deliver on goals and generally making the manager look good. They:

- build friendly a relationship with their boss;
- extend this friendly behaviour upwards to key gatekeepers above them; and
- create opportunities for interaction by asking for advice, reporting back on how it went, and thanking the manager for their involvement.

Although this is labelled 'ingratiation' in the psychology literature, it does not have to mean sucking up to the boss. It can be a positive way of building and maintaining relationships that may lead to future support for ideas, resources such as information about opportunities, and sponsorship for promotions.

2. Self-focused IM (self-promotion)

This set of practices refers to how we present ourselves, how we strive to be seen as professional and successful at work. People find ways of informing others about their successes. True, if used excessively this approach may lead to claims of blowing your own trumpet. Yet if no-one knows of your successes, then you may not get the credit you feel you

'Managers often assume that those who do not push themselves forward are not seeking promotion'



Dr Val Singh is a visiting fellow at Cranfield School of Management.
v.singh@cranfield.ac.uk



Susan Vinnicombe is professor of organisational behaviour and diversity management, and director of Cranfield's International Centre for Women Leaders.
s.m.vinnicombe@cranfield.ac.uk
www.som.cranfield.ac.uk/som/p1087/Research/Research-Centres/Centre-for-Women-Business-Leaders



deserve. So you must tread a fine line. But certainly you should do the following:

- record your successes;
- discuss these successes in appraisals;
- share them, where appropriate, with your team; and
- tell your manager of your ambitions, so that together you can develop a career plan.

Be prepared for comments that you are not qualified (ask for help to get the right experience), not ready (ask for this to be reviewed next year) or not good enough (work to reverse this assessment).

3. Job-focused IM (doing a good job)

This strategy is to impress by the quality of your work. Delivering your own work goals is key, exceeding expectations of performance and commitment. Factors that come in here are:

- working long hours;
- preparation;
- staying late; and
- giving up personal life responsibilities to deliver at work.

This is a strategy that women often adopt more naturally than men. But be warned, it may not be enough for promotion to senior level, where the more masculine strengths of leadership, engagement in political activities and networking may be required. (For a handy guide to employing IM, see '10 Top Tips for successful Impression Management', opposite.)

Women – the reluctant IM-adopters

Our experience with women's executive development is that – other than impressing by high performance and commitment – they tend to be reluctant to use IM. Most of them have been socialised to be modest, to share and to care.

They tend to believe in fair systems, feeling that delivering high performance should be enough for promotion, and, on the whole, disliking what they see as the 'politicking' of their male peers.

However women do strive to be seen as professional in a man's world, and often deny their femininity to reduce the risk of unwanted behaviour from male peers.

They also often seek to portray a totally work-focused image – that of someone who cannot be distracted by family responsibilities. They do this by not having photographs of their children on their desk and by not talking about family issues to their male peers.

Such behaviours can lead to feelings of inauthenticity in women. Fortunately, however, organisations are gradually realising that it is better to treat women (and men too!) as whole people rather than just unencumbered human resources.

Men, we find, seem not only to use IM more readily but to adopt it earlier. Their female counterparts tend to be in early mid-career before noticing that male peers of equal or even lesser talent have moved ahead. Then a woman's recognition of the need to use IM kicks in, but of course her male peers are already ahead!

A further difficulty for women using IM is that – unless very subtle – they are liable to be criticised for acting outside their normal gender role.

Using IM to build your team's reputation

As you move into management and leadership positions, IM can also be used with great effect to grow the reputation of your team, at the same time as you deliver their potential, grow their commitment and deliver performance.

It is about promoting successes, getting an agenda for the future, and adding value at the team level. This can be a highly satisfying experience for the leader.

Conclusion

IM is a powerful tool, but remember that it only works to the extent that one has genuine abilities. IM

'If no-one knows of your successes, then you may not get the credit you feel you deserve'

can be counterproductive for those who flaunt themselves inappropriately, who are not as good as they think they are, or who are prepared to trample over others to grab undeserved credit.

Just as consumers are not fooled by the fancy presentation of poor quality goods, people will not be taken in for long if you promise more than you really are offering. Not only that, but such actions will be negatively viewed by colleagues as well as the gatekeepers to promotion.

Today's organisations need individuals who don't just look out for themselves but who attract, develop and lead others at all levels as they progress through the organisation. IM helps to build visibility, but remember it is only the packaging, the branding. The key issue is whether the individual has the right core values underlying the talent, skills, knowledge and experience being promoted. Use IM wisely.

This article was first published in *F&M149*, November 2007.

10 TOP TIPS FOR SUCCESSFUL IMPRESSION MANAGEMENT

1. Take it as given that you must provide high performance and high commitment. IM only delivers long-term benefits if you are excellent at what you do at work.
2. Ensure you add value in a way that is valued by the organisation. Make your added value visible.
3. Know where you want to go next, be honest in your appraisals, and get your ambition on your manager's agenda. You will then be seen as career-oriented.
4. Build a working relationship with your boss. Find something you can admire, build on the positive characteristics of your boss. If it really doesn't work, then move on, with good grace.
5. Accept credit for your successes, share with your team but allow yourself to recognise your own contribution and achievements. Don't attribute your success to luck.
6. Act and dress for the level above you. Always be ready for the unexpected opportunity to be called into a senior meeting, to be asked to make a presentation to clients. Observe from role models what to do and what not to. Women should have both male and female role models. For women only – don't play 'being a girl' or even 'being one of the boys' – be feminine (if you wish), but above all, be professional and authentic to your values.
7. Build your career capital – knowing why, knowing what, knowing how, knowing whom.
8. Network upwards, as well as with your peers, internally, externally, in your professional bodies, and contribute back to the network. It does get easier.
9. Volunteer for assignments that bring you in close contact with leaders, and for non-work activities that attract a cross-section of your organisation, such as corporate networks or charitable activities. See it as an opportunity to give, to meet more people, and to engage in small acts of leadership.
10. Have a point of view on your organisation's business. Read the FT and the Economist so you know what is going on in your firm, your sector, the economy. This will allow you to engage in business conversation with more senior people, building your reputation as a serious and well-informed player in the talent pool.

NETWORKING – HOW TO GET THE BEST FROM CONTACTS

Spending time networking may seem a long way down your list of priorities, but not only will it help you as an individual, it's also good public relations for your business. **Hamish Davidson** offers some tips...

What is networking? How do I do it?

Despite widespread use of the term, not everyone is sure what 'networking' is, or how to do it. In short, with regard to job-hunting and personal reputation and public relations (PR), networking is all about visibility and profile. If I don't know about you, why should I contact you? And if your reputation isn't sound, why should I listen to you?

Creating a network from scratch. How do I do it?

Create six lists of names, with 100 names on each list:

- list A – friends and family; people who will easily return your calls;
- list B – people in your current or most recent organisation;
- list C – people you know and who know you, but if you're honest with yourself, you haven't actually spoken to for some years;
- list D – people who have tried to network with you, but with whom you have never networked back (think of all those business cards collected in your bottom drawer);
- list E – people you don't know, but would love to; and
- list F - no names here, rather just a list of specific roles in specific organisations, because whoever occupies those roles would be great to network with; find out who they are and then allocate them across lists A-E.

Your mission is to manoeuvre everyone up to list A.

What networking 'work rate' should I adopt?

The intensity of your networking will vary according to your circumstances:

- if networking 'for life' and just keeping the network ticking over, two calls a day are enough;
- if looking to make a move within six to 12 months, five calls a day; and
- if looking to make a move as soon as possible, 10 calls a day should be your target.

Note that I said phone calls. Emails and letters are extra. You need to make personal contact with people rather than create merely a 'virtual' relationship. And stick to that work rate. If you don't make your quota today, you make it up tomorrow; if you don't make it up by the end of the week, then you punish yourself. This is not a game – this is your career!

Instigating and maintaining the networking

Phone calls should be made first thing in the morning, to get them out of the way. Stick with it until somebody answers or you hit voicemail. Thereafter, vary your approach with a given individual. Find different ways of staying in touch. One time, a phone call; next time a letter; next time an email; next time a copy of an article; and next time a postcard. But remember your phone call work rate still applies. Letters, faxes, emails – these are all extra, if you choose to send them.

Attitude, demeanour and state of mind

Prepare for a marathon, not a sprint. Firstly, get your building blocks in place. Don't assume this will all be done in a week or two. It may take months, and in any case should be a career-long practice.

Look good, feel good, sound good. Much in life is about attitude and state of mind. This applies just as much to networking. Look miserable, feel rotten, and sound sour – then you probably are. And that does not make for a good networker.

Always prepare – who, what, why, and how. Who are you networking with? Why are you networking with them? What specific outcome/s are you seeking? Use the internet to research them. What, if anything, could you do for them in return?

Prepare to handle rejection. Not everyone is going to love you. Don't make it your problem – leave it as theirs.

Keep your promises and commitments and hit your deadlines. If you say you'll check up on a bit of information for somebody, do it. Treat others as you would wish to be treated.

Maintain/obtain a sense of humour. Don't be boring, or the type where a smile would crack your face. If you haven't got a sense of humour, then get one – fast. You want people to remember you for the right reasons – not the wrong ones.

Help other people. Don't get a 'put him/her down' (PHD) syndrome. Think about what you can do for others, before working out what they can do for you.

Align yourselves with people who have standards and ethics you believe in. Find people with whom you can 'resonate'.

Find two or three mentors. Be a mentor to others, by all means, but find your own too. You're never too old (or too young) to take advice.

Build bridges. Don't just build contacts and lists. Look to try and meet people at least half-way.

'Believe that you can do it. Networking is tough, but you'll never succeed unless you believe'



Hamish Davidson is chairman of Entrepreneurs in Action.
hdavidson@theeia.com
www.theeia.com

'Prioritise your efforts. Keep a list, mental or otherwise, of people you know or suspect can and will help you – and cultivate them'

Use your network. Any decision is better made after consultation.

Errors and setbacks are a way of life. How we learn from our errors and setbacks is what makes the difference. Learn to network better.

Believe that you can do it. Yes, networking is tough, but you'll never succeed unless you believe, and don't let anyone else tell you that you can't.

The most unlikely people may be the most helpful. So make friends with secretaries and support staff. All that time spent being pleasant and courteous to the support staff, recognising voices and names will reap dividends.

Never assume somebody is unimportant. You never know who is married to whom, related to whom, having a relationship with whom, friends of whom... you just never know. It therefore pays to be courteous to everyone.

Be humble. Ask others for their advice and opinion. They'll be flattered, likely to give you more information than they intended and save you a lot of work.

What goes around, comes around. Life is about balance. What you get out of it depends a lot on what you put into it. In a cynical world, be the exception. It will pay off... eventually. Be the person who:

- offers to help out if ever you can;
- stays in touch;
- rings just for the hell of it, not because you want something;
- thinks 'what can I do for you?', instead of 'what can you do for me?';
- remembers past conversations;
- is there for others in bad times as well as good; and
- is honest if unable to help personally, but always suggests somebody else, or another solution.

Look ahead to future developments. Try and create the space to reflect on where things are going and how they are likely to develop. Think about the new skills, competencies and contacts that both you and your organisation are going to need.

Don't let the morning slip by. That's the time when people are at their most receptive and when your enthusiasm should get you going. Make your list of calls or 'to do' list for the next day before you leave the office the previous night, and don't allow yourself to get dragged into endless meetings until the calls are made.

Be personable. Wander around the building incessantly, play the phones like a master, give other people credit for things that you've had a hidden hand in.

Don't let the world pass you by. What are you doing to increase your intellectual capital and stave off the competition? Your boss may decide to trade you in for a younger model if the last time you let a new idea in was when you left school. Move out of your comfort zone, meet new people and listen to new ideas.

Prioritise your efforts. Keep a list, mental or otherwise, of people you know or suspect can and will help you – and cultivate them. Be ruthless about this. Always keep your contact details up to date in order to cultivate and develop your network.

And one last thing...

... let this be the last time that you have to create or re-create your network. Cherish it, sustain it, nourish it, and above all, stay in touch with it. Get into the habit of networking for life. The best and most enduring networks are those built upon friendship, mutual respect, honesty, longevity, and above all trust. Too many networks are built on the shifting sands of convenience and temporary circumstance. The networks that endure tend to be those that are tested through adversity and stand the test of time. So I return to the theme of what can you do for other people, rather than what they can do for you. Stay in touch through the good times and as a result, you may find it easier to maintain your networks through the bad times. Good luck.

The original version of this article was published in *F&M* 102, August 2003.

MAKING USE OF SOCIAL MEDIA

Social media is all about visibility, profile and reputation, and is therefore a useful networking tool. Here's how to use it to your advantage:

- get 'comfortable' with the new technology. Buy a book, go on a course, subscribe to some 'blogs' – or best of all, get a friend (or your kids) to walk you through and demonstrate how to do it. Don't be scared – just get with the programme;
- join professional networks. If you don't join up, then nobody will know you are out there. Professional networks like LinkedIn and Plaxo are obvious ones, but there are many others;
- review and update your content regularly. The more you say about yourself, the more you are likely to get picked up as a useful contact by others;
- join social network 'special interest groups'. But don't just join. Contribute actively to the debate. Be a user. Offer to help people. Become useful to others. Try and do 'virtually' what you would do 'face-to-face'. Above all, be courteous; and
- join Facebook, start your own blog and tweet away on Twitter by all means. But be careful. Once silly pictures and irreverent comments are out there, they are visible to many – including recruiters and employers. And check your employer's policy with regards to use of social media at work and on their equipment. Don't needlessly put yourself at risk. Protect and invest in your reputation – for no one else will.

And remember: face-to-face is the 'original' social media, and it's still important, so don't go completely 'virtual' in your networking.

PLANNING AND PRIORITISING

Having difficulty getting everything done? **John Niland** suggests a relatively simple plan for avoiding distraction and achieving more.

For anyone in business, time is the number one constraint. There are only 168 hours in a week, and allowing time for rest, play and doing the core job that probably leaves 10-15 hours in a working week for communication – eg planning, meetings, producing reports and presentations, managing the department and raising the profile of what we do.

Not much, is it? Worse, we cannot ‘manage’ time. However, we can at least manage how we focus our attention - commonly known as ‘planning’.

Distraction

The opposite of ‘focus’ is ‘distraction’ – of which there are three different types:

- overwhelm – up to a certain stress level, our attention ‘narrows’, our perspective is concentrated and we can be quite focused. This is one of the reasons why people often claim to work well in the run-up to a deadline. However, prolonged ‘overwhelm’ also means loss of direction, stress, lack of time for others, being reactive, making mistakes, information overload, no time for strategic development, a constant sense of lagging behind, tiredness, mistakes and poor decision-making;
- disorganisation – our attention is finite: we cannot cope with an infinite number of things at once. Hence everyone needs some structure, though this will vary from person to person. When we don’t have sufficient structure, we lose track – of emails, messages, projects, appointments, people, addresses etc. We turn up at the wrong time or the wrong place. We may not even know whether we are overwhelmed or not – we are simply too chaotic to find out; and
- dread – even with all the time in the world, haven’t we all stared out the window from time to time, rather than open that file? Even when we are not overwhelmed, and are well organised, sometimes the will to tackle a task just isn’t there. We have to wait until it is urgent to get it done. Or perhaps it takes ages to get going after the weekend or a vacation. Sometimes we are recovering from earlier overwhelm or disorganisation.

The symptoms of distraction

Here are just a few of the symptoms of these forms of distraction:

- the leader is overwhelmed (or disorganised or demotivated) and therefore so is everybody else;



John Niland is an international speaker and business coach.
cjn@success121.com
www.success121.com

‘A sense of achievement sharpens our self-esteem and promotes positive motivation’

- there is a shortage of quality time devoted to planning; we fit it in between appointments;
- we are swamped with emails – it takes several hours a day just to keep up;
- evenings and weekends are the only time when we can get focused work done;
- we are constantly distracting each other with requests for information, or chasing each other to keep promises already made;
- decisions keep getting postponed – particularly those decisions that would help us deal with the root-causes of time issues;
- we are saying ‘Yes’, when we should be saying ‘No’;
- we move from one deadline to the next, with little time set aside for strategic focus;
- we have no time for training courses or professional development; and
- estimates of how long things will take are frequently inaccurate.

Planning’s role in finding solutions

One of the first tasks of good planning is to try to understand and remedy the root causes of symptoms like these.

For example, we may find that we are not able to meet all our deadlines for the month ahead. Perhaps we planned the month quite well, but the unexpected has happened – someone in the team got ill and we inherited his or her workload. On other weeks this might not have been a huge problem, but right now it is overwhelming and we cannot see a solution. Hence the root cause of our pain is the experience of overwhelm and the mental stress this creates – not the shift in workload. To deal with overwhelm we first need to shift our attention, and then we can find solutions to the workload problem.

Below are a few simple planning-focused shifts I recommend to deal with such root causes.

1. Zone the diary

We all have different dimensions to our jobs. For example, we need focus-time, communication-time and admin-time. We also need some rest-time. What are the major components of your week-to-week

'By leading others, you will be playing a visible and valued role in reducing stress in the workplace'

Figure 1 A WORTHWHILE RHYTHM

DAILY	15-30 minutes reviewing the day and planning the day ahead.
WEEKLY	An hour to look at the week ahead and decide on the top three priorities. Best not done on Monday morning!
MONTHLY	Regular operational review, perhaps with the team. Are we on track for the quarter?
QUARTERLY	The lynchpin that holds all this system together. A day away from the treadmill, perhaps with a few trusted advisers.
YEARLY	An annual retreat that looks at the year ahead and decides on the personal and professional priorities.

responsibilities? When are you committing yourself to do them? Some leaders find that it's easier to zone periods in the day: eg 8-10am for focus-time. Others find it more useful to zone out whole days or half-days, and perhaps to work outside their office where they will not be distracted.

2. Create an email-free zone

More and more professionals appreciate having some email-free time in their day. The email-free zone enables people to reclaim a sense of control over their time, and dramatically reduces overwhelm. Try not opening emails before 11am – or, even better, noon. Your world will not collapse, and you will get some real work done.

3. Diarise the time to plan

Professionals run their lives by their diary. We keep the appointments that are in our diaries; to not do so would simply be unprofessional. If something is in the diary, it gets done. But something not in the diary is merely an 'intention'. Generally our task list is a collection of the things that we intend to do in the spaces between diary appointments. But how about – in addition to physical appointments and day-to-day deadlines – entering your 'planning time' as a diary appointment rather than a task list 'intention'? Figure 1 (above) shows a rhythm (for those planning 'appointments') that many professionals have found worthwhile.

The benefits

Whatever way you zone your diary, you may expect to realise the following benefits within a few weeks of doing so:

- you will know that each crucial dimension of your job is looked after. Even if you experience some overwhelm in one area, other aspects will not be deprived of the oxygen of time, hence total chaos can be averted;
- other people will be educated as to how you work and can therefore plan accordingly. Whole departments can even agree on a working rhythm that promotes productivity. Even customers can be educated too; many will admire your professionalism. By leading others, you will be playing a visible and valued role in reducing stress in the workplace. Rather than working from a single, immense task list, you can use smaller task lists for each zone that make planning easier; and
- a sense of achievement sharpens our self-esteem and promotes positive motivation. When we reclaim our diary-zones, we reclaim our sense of control... even if we don't get all the work done.

Conclusion

Planning begins with an act of attention, not with a spreadsheet. If our time represents the most important resource that we have, do we not need to spend longer deciding how we will invest it?

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LEARNING THE ART OF DELEGATION

Delegation, though not a panacea, is an important management tool, when used appropriately. Below **John Niland** reveals the art of its selective application by managers, including finance professionals.

If you read anything on time-management, sooner or later the author is likely to wax lyrical about the benefits of delegation. Yet they rarely stop to ask, "If everyone is delegating, who is doing the work?"

To my mind, while delegation is an important item in the management toolbox, it is not a panacea for all ills, since:

- it is no substitute for saying 'no' (see article on page 21); and
- it is not a replacement for 'wholehearted performance'.

Nevertheless, delegation remains an important aspect of management. We cannot do everything ourselves: we need to muster (and foster) the talents of others. So below I discuss a couple of important issues to get in balance, in order to delegate with success.

Are we delegating outcomes as well as tasks?

Firstly, it helps to be clear about what we are delegating. To a junior employee or trainee, we may well need to simply delegate tasks. We may want to assess their competency, or build their familiarity with the function. We may simply need a helping hand.

Unfortunately, there are many leaders who stop at the task-level. They simply never learn to delegate outcomes. So instead of asking Anne to take over the weekly meeting (including the agenda, follow-up and co-ordination), they just ask Anne to do the meeting in their absence from time to time. In other words they always delegate a task, as opposed to delegating responsibility for an outcome. Does this matter? Yes, for two reasons.

The first problem is that delegating tasks leaves you with more co-ordination to carry out than delegating outcomes does. In the example above, when you return Anne will tell you what happened and you will then have to decide what to do next. That means more work for you.

The second issue centres on the motivation and ability of others. If you were Anne, wishing to develop your career, which would be preferable: to be given responsibility for the weekly meeting, or to be asked to do tasks from time to time?

Are we guilty of hoarding or dumping?

Another issue requiring our attention when delegating is our personal working style – ie whether we are naturally 'hoarders' or 'dumpers'. Effective delegating lies somewhere in the middle:

Hoarding ←— Delegating —→ Dumping

'Hoarders' tend to keep a lot of work for themselves. They are often 'control-freaks' who believe that nobody does a job as well as they do. They may even have a fear they might run out of work. They are most likely to delegate tasks, and often will provide a detailed critique of how well (or not) the team-member has done them. Their micro-management, and preference for delegating tasks rather than outcomes, can undermine the effectiveness of whatever delegating they do.

'Dumpers' on the other hand tend to dump their own work on others, often with little in the way of briefing or guidance. "You'll figure it out" they say, as they leave the room. And while some team-members might appreciate the space this gives for growth, many may well resent the manager's inattention and lack of direction.

Hence awareness of our own pre-disposition – dumper or hoarder – can be the starting point for a useful discussion with team members, exploring whether they want more direction (and on what), or whether they want more freedom to just 'get on with it'?

Conclusion

In summary, delegate outcomes as well as tasks. And make sure you give sufficient guidance, while remembering to then 'let go'.

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'We cannot do everything ourselves: we need to muster (and foster) the talents of others'

SAYING 'NO' – WHY IS IT SO HARD?

Have you ever said 'yes' to a project or proposal only to regret it later, sometimes almost immediately? **John Niland** explores why that happens – and explains how to say 'no' more effectively when appropriate.

Yesterday I agreed to do something that I know I shouldn't have. Why?

There is no single answer to this question. Part of me is intrigued by the project... I want to know more. Part of me wants to be of service to the organisation involved. Part of me cannot let go of the opportunity that might (even if it is a slim 'might') come out of this. Yet the bottom line is that I have added something unplanned to an already-overcrowded 'to-do' list. If this is so obvious to me now, why could I not see it yesterday?

Of course, saying 'no' can simply be a matter of basic confidence, ie we dare not do it because we fear what might follow. If the request comes from a boss or a customer, the status that such a person occupies in our heads may leave no space in which to say 'no'.

But there are many possible factors at work making us say 'yes' when we should, perhaps, say 'no'. Below is a list (including some of the elements already mentioned) – which may ring some bells.

FACTORS AT WORK WHEN WE DECIDE

1. I dare not say 'no' – 'they' have 'the power'.
2. I always say 'yes' – it has become a habit.
3. I like saying 'yes' – I see that it pleases people and I like to do that.
4. It might lead to opportunity, and I cannot pass up an opportunity.
5. It looks interesting, and I cannot say 'no' to something like that.
6. The option of saying 'no' does not even occur to me: requests and tasks (and emails) are there to be done.
7. The fact that they asked means that I am trusted and/or needed, and saying 'no' would be negating their trust.
8. The request constitutes variety in my work, and I need that. (Maybe I will say 'no' to something else, explicitly or implicitly.)
9. What I have been asked is a challenge – near to impossible – and I like the impossible. (Similar to 5, but specifically about challenge rather than interest.)
10. I feel that it's my job, ie my responsibility, to do this.
11. I could not find the language to say 'no', so I agreed instead.
12. I need to get permission to refuse each request.
13. If I don't do this, there might be a flaw or a mistake, and I am 100% committed to quality and perfection.

'Saying 'no' can simply be a matter of basic confidence – we dare not do it because we fear what might follow'

Personally, looking through the list, I can tick numbers 3, 4, 5 and 8 – particularly the last – as preventing me from saying 'no' yesterday. The project in question is something new and different, and I am a sucker for variety.

What does that tell me? Probably it means I need to leave more room for variety, and not allow 'the plan' to occupy 100% of my time. On the other hand, it probably also means I need to ask what my taste for variety might be costing me.

How to say no

But what about the actual mechanics of saying 'no'? Having found out your triggers for saying 'yes', and identified the ones that perhaps have scant justification, practise the following next time you are asked to do something:

- ask "What is it that makes this (request) important?";
- try the sandwich-technique for saying 'no': the good news, the bad news, topped with the good news. For example: "Thanks for asking, unfortunately that won't fit in this week's plan, would you like me to add the request to next week's planning meeting on Friday?";
- if it is the boss or a customer making the request, ask: "How does the priority of this compare with x, y and z?"; and
- remember, 'Ten priorities means no priorities', so work to a top-three of priorities at all times.

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For further reading see 'The Attention Habits of High Achievers' at <http://diary.success121.com/Resources-Attention-Habits.asp>

HOW TO HONE YOUR NEGOTIATING SKILLS

Negotiating skills are always important, but particularly so in tough times. **Lucy Morrice** offers her advice on how to keep your own up to scratch.

They say everything in life is negotiable, and even if you have not given that observation much thought in the past, you may now find yourself forced to negotiate with unprecedented regularity.

It has always been important to offer outstanding service and commitment to our clients, and in times such as these it is absolutely crucial. Yet, just as importantly, we do not want to find ourselves on the back foot without ammunition when we are in a challenger's sights.

We are not just talking about negotiating fees and rates, by the way – we are talking about negotiating our time, our expertise, our position, our degree of ownership, our input. So look back and make some assessments. Have the outcomes of your recent negotiations been equitable? Has there been a sense of mutuality during the discussions? Have you felt both parties left the negotiation happy?

To my mind, the most satisfying negotiations have a balance between achieving what we want and getting along with people – tough negotiators do not always have long-term negotiating success as they are only too prepared to forego relationships in order to squeeze more out of their 'opponents'. Their approach might work (for them)... but not for long. They get rumbled. Far more skilled are those who aim to preserve the relationship alongside achievement.

Good negotiating skills are those which suggest to the other person that they have turned every card on the table and exposed your (bottom) line. Of course they should not actually know what your bottom line is – unless you have unwittingly revealed it. So decide upon the minimum you will accept or the maximum you will give and do not start the negotiation too close to that point. Give yourself room to manoeuvre. For example, if you want to sell an asset for no less than £1m, maybe your starting position should be a plausible £1.35m. If you are willing to have that report with them by Wednesday, why not give yourself some time and suggest Friday morning?

This is all common sense, but is it common practice? Do not give things away. In the past you may have felt that giving something away was a good strategy to soften up the other side of the desk, but any negotiator worth their salt will see that as a chink in your armour and demand more. Giving things away just lets them get closer to your bottom line for no good reason.



Lucy Morrice is the founder of Professional European Presentations, and provides training negotiation and relationship selling.
www.presentationsuccess.com

'The easier it is for you to walk away from a negotiation, the greater your chances of positively affecting the outcome'

A good reason would be getting something back in return – when what you offer them is balanced by what they offer you. A good phrase for achieving this is "if you are in a position to do abc, then I may be in a position to do xyz." Your 'abc's and your 'xyz's are your negotiating fodder – the variables and concessions you have identified as genuine bargaining material. What can you offer them which is inexpensive or simple to you but valuable to them? What can they offer you which is inexpensive or simple for them but valuable to you? In other words, do not see money as the only issue.

Separate the person from the negotiation – support the person while attacking the problem (it is very important to get that the right way round).

This rapport-building skill is a powerful contributor to successful negotiations. Consider the following approach: "I'd love to be able to help you with this one as I can see it is an important issue for you. My concern is that if we take that particular route, the integrity of our procurement process could be jeopardized. But I'll tell you what I will do... if you are in a position to offer us a prioritised delivery, I may be able to invite you to join our preferred supplier list." In other words, what you offer them should be balanced by what they offer you.

Yet even with this constructive approach, what if you are asked the question "is that negotiable?" Hmm – if you say no, it may seem aggressive but if you say yes, they deduce you could have offered a better deal in the first place. Oh dear! You could ask "what did you have in mind?" but more amusing may be to say "I am always happy to hear any constructive ideas which may improve the acceptability of my proposal." Always to be said with a smile – after all, humour diffuses tension.

Talking of humour – I am reminded of the time many years ago when I presented my proposal for a negotiation skills training programme to the board of an expanding and successful high tech business. To the CEO's question, "Will you give us a discount for anything over three training courses?" my response was, "Of course, I'd be delighted to give you a discount – what part of those courses would you like me to take out?" The moral of that story is: 'another price equals another package'. (By the way, I got the job.)

‘Separate the person from the negotiation – support the person while attacking the problem’

Similar tactics for buyer and seller

Negotiation tactics often involve similar strategies for both buyer and seller. For example:

- both parties should aim to have as much as possible in writing to support their proposals – because whether we like it or not, the written word has authority over the spoken. It is harder for a seller to renegotiate a buyer’s budget if it is in writing – tougher for a buyer to squash a carefully thought out and published pricing scheme;
- both parties should avoid dealing in round numbers... £10,000 begs to be negotiated, whereas £9896 appears to have been carefully thought out;
- both should similarly avoid showing a willingness to negotiate unless it is intended, for example “it’s around £1500” or “it’s about £1500” both say “try me, I’m open to negotiation” – it is the commercial equivalent of the classified advertisements’ acronym ONO (or nearest offer); and
- both parties should watch bargaining behaviour close to deadlines – I once did some training for the advertising team of a national newspaper. Prior to the training I spent some time listening and watching the team in action. When there was plenty of time to spare, they were good negotiators – they had high aspirations, they reluctantly traded concessions, they looked for negotiable variables

and they really made the punters work for any sort of deal at all. Nearer to their daily deadlines, they were bordering on pathetic – their body language knotted to a point of obsequiousness and their opening gambit was along the lines of “I don’t suppose you’d be interested but...”.

Dealing with deadlock

And how do we deal with deadlock, that impasse where heels are well and truly stuck in? Someone has to break the deadlock and if you are the proposer, it may well need to be you. Here is how you might want to re-open the negotiation:

“We’ve both invested some time in these discussions – let’s look back over the points one more time before we admit defeat...”

Note the ‘we’ admit defeat, not ‘I’ or ‘you’ admit defeat. Create an arena for mutuality – a joint responsibility for a successful conclusion.

In closing, let me mention aspiration levels. The higher yours are, the more you are likely to achieve.

And... the easier it is for you to walk away from a negotiation, the greater your chances of positively affecting the outcome. Power is in the mind.

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MANAGING VIRTUAL TEAMS – LESSONS FROM RESEARCH

The challenges faced by virtual managers make communications more complex, and require differences in the way and frequency with which competences are deployed. **Annette Sinclair** and **Andy Smith** define the essential skills needed by effective virtual managers and explain why a ‘helicopter’ view is best.

The past decade has seen a significant rise in virtual working arrangements. This trend is set to continue, facilitated by the opportunities presented by improving communications technology and driven by increasing globalisation, cost reduction, the need to access valued knowledge workers and skills, opportunities to get closer to the customer, the search for work life balance, demand for more flexible working patterns and the requirements of split-site infrastructure.

In today’s business environment, virtual working arrangements are a necessity for many organisations. This has made the management of virtual teams a key business issue. In this article we examine the essential skills of effective virtual managers, based on our research^{1,2,3} and latest thinking. We define a virtual manager as someone who manages people; who works at a separate geographical location from their team for at least some of the time and; who communicates with their people other than by regular face-to-face contact (eg by email or phone).

Our research found that virtual managers face additional challenges to their non-virtual counterparts. Reduced face-to-face contact requires new communication systems and a greater reliance on technology. This adds an extra layer of complexity to communications and generates more opportunities for misunderstanding. Individuals need to compensate in order to understand each other fully in the absence of non-verbal messages. Reduced physical contact also decreases the information available for making judgements regarding performance and motivation. Management mechanisms such as direct supervision as a means of co-ordination and control become inappropriate and new ways of cooperating to achieve tasks and meet organisation goals become necessary. In the absence of a physical presence to control and monitor performance, trust becomes particularly critical. At the same time it is harder to build due to lack of face-to-face and social contact.



Annette Sinclair is a senior researcher at Roffey Park Institute.
annette.sinclair@roffeypark.com



Andy Smith is a member of Roffey Park’s consultant community.
andy.smith@roffeypark.com

‘Reduced face-to-face contact requires new communications systems and greater reliance on technology’

Our research suggests that many people feel that the telephone is no substitute for face-to-face contact. They complain that virtual meetings seem impersonal and that more is achieved face-to-face. However, Patrick Dixon⁴ argues that old team management models of ‘if in doubt, go travel to sort it out’ are highly inefficient and undesirable in a globalising business environment. Not only is there huge pressure on companies to reduce their contribution to global warming but also, with an increasing proportion of the workforce unwilling to sacrifice family life and work-life balance, roles that require significant travel are increasingly unattractive.

The real costs of a face-to-face meeting need to be considered: the financial (flight, taxi, hotel, food) as well as ecological costs; the time spent travelling including making the arrangements and time lost in transfers; the energy losses from jet lag and lost sleep; the hours away from home and cost to family wellbeing; as well as the lost accessibility from the office. Dixon calculates that a two-hour face-to-face meeting may take 30 hours of a person’s life and asks how much could be done virtually in that time. Often organisations would be better off reallocating their travel budget to invest in training and technologies that facilitate effective virtual working.

Communication technologies have advanced rapidly over the past decade. Videoconferencing systems are now capable of transmitting the non-verbal cues that promote effective communication and enable group members to feel comfortable with one another. Large screens enable life-sized videoconferencing making virtual meetings less impersonal. These technologies that enable virtual working will continue to advance rapidly.

Yet whilst they go some way to reducing some of the challenges of virtual working, they do not eliminate them (and of course, videoconferencing could not practically be used for all communications just as co-located teams use email and telephones to communicate, in addition to meetings).



Our research found that virtual management is difficult to do well, not necessarily requiring different competences but differences in the way and frequency with which competences are deployed. More conscious effort has to be put into getting information that otherwise would be obtained simply by being present.

Essential skills of effective virtual managers

Our research identified six key areas of skills, competencies, behaviours and attitudes that are particularly essential for virtual managers.

1. Effective communication and use of different media

Communicating over distances presents virtual managers with significant challenges as effective communication relies to a significant extent on non-verbal cues. Effective virtual managers need excellent written, verbal and listening skills to overcome the problems associated with a lack of face-to-face contact. They also need to establish and model appropriate communication processes and systems for regular communication to engage, inform, update, review progress, provide feedback and simply keep in touch with the team.

Particularly important is the effective and appropriate use of multiple communication methods.

Excellent virtual managers need to be flexible in their use of different media, in terms of selecting the media most appropriate to the message and in terms of tailoring the communications to individuals' preferences and requirements.

Action points

- Ask team members how they prefer to communicate and post those preferences where everyone can see them.
- Establish an email protocol specifying when and how email will be used to avoid information overload.

2. Interpersonal skills

The emphasis on interpersonal skills – being 'people focused', 'respecting' others, 'caring' about people – came through strongly in our research. Empathy, sensitivity and understanding of other people were identified as among the most important qualities of an effective virtual manager. Virtual managers need to have a good understanding of individual differences, motivations, values, the contexts people work in as well as a 'real understanding of who can do what'.

They build open and consultative relationships through including personable aspects in communications and social contact on the occasions when they do get together with their teams. This

‘Effective virtual managers can take the helicopter view, zooming out for the big picture and moving in close to understand what is happening on the ground’

VIRTUAL MANAGER HEALTH CHECK

- Do your team members consider themselves as part of a team?
- Can you define clearly your vision for the team?
- Do the team members have a similar vision?
- What do you know about your team as people and their motivations and preferences about work?
- What media do you use to communicate different messages to different people?
- How do you check your communications are correctly understood by others and theirs by you?
- Does your team know when and where they can contact you?
- How often and by what means do you check out whether your team members feel that they have sufficient contact with you?
- How do you ensure that your team are kept up-to-date on general company matters?
- How do you check whether there is clarity around what team members expect from each other?
- How successful are you at encouraging mutual sharing of ideas and opinions?
- How do team members know what is expected of them?
- What are your teams’ strengths and weaknesses – how are you developing these?
- Do you have processes to acknowledge and reward good teamwork?

helps increase their understanding of each other and demonstrates respect and care for their team as people. For the teams, greater awareness of their manager as a person helps contribute to a sense that they are present even when they are not there.v

Action points

- Start conversations by asking how the person is before launching into work issues.
- Balance process issues and task so that even in difficult times people get a sense that relationships and sustaining them are important.

3. Models high trust

Effective virtual managers are not micro managers. The reduced contact means that to be effective teams need to be empowered to make day-to-day decisions themselves. Consequently, whilst trust is harder to build over distance, it is critical for effective virtual working. It is the foundation for open, honest communication and positive relationships between team members. Effective virtual managers need to both model trust in others through demonstrating

confidence in team members and delegating effectively, and instil trust in themselves through demonstrating integrity, openness and reliability.

Action points

- Be honest – people respond positively to self-disclosure and sincerity. Admit your mistakes.
- Encourage team members to make their own decisions and solve their own problems within agreed guidelines.

4. Fosters a collaborative climate

According to the literature, people become less likely to collaborate once they are more than 50 feet apart.⁵ Other research has found that workers who spend three or more days without talking to a manager or colleagues start to feel disconnected.⁶ It is therefore not surprising that virtual teams are difficult to get started and that they tend to experience more conflict. Virtual teams are seen to have much weaker interpersonal bonds than face-to-face teams due to the impersonal nature of virtual communication.

Virtual managers need to create a collaborative climate among teams. This means building and managing relationships among team members and creating a shared vision and sense of purpose. Effective managers communicate mutual aims through clear definition of the roles and expectations within the team. Our research pointed to the importance of an effective induction process at the beginning of any virtual relationship and team. Investing time getting to know the team and for the team to get to know each other, agree ways of working, and create clarity around expectations was seen to be more important than usual in virtual teams as well as an extremely valuable community building opportunity. Several of our virtual managers had extended their induction period recognising the value of this early investment.

Action points

- Invest in a good quality face-to-face induction process at the beginning of any virtual relationship and team.
- Check on team members’ expectations regarding each other’s roles, responsibilities and how the team will work together.

5. Results orientated

Managing performance is a big issue with dispersed workers. Research has found that people who work from home are about 16% more productive than office workers.⁷ For many managers, however, overcoming the mindset that workers won’t be productive without supervision is a challenge. Trust is crucial. The manager’s role is to support rather than direct the team and

'Managing poor performance and motivating without a physical presence are particular challenges for virtual managers'

encourage self-control without being controlling. Attempting to assert control through constant attempts to check up on reports not only overburdens the manager, but also can be counterproductive as motivation is negatively affected when people feel over-managed.

Managing poor performance and motivating without a physical presence are seen to be particular challenges for virtual managers. Virtual managers need to balance the support and autonomy provided, to ensure all have the tools, development and infrastructure to succeed, whilst also maintaining enough control to ensure adherence to company strategy, standards and ethics. Virtual managers need to focus on outcomes and not activities, so they need to shift from focusing on time, structure and control to a focus on results. In order to do this, effective virtual managers set out clear goals about what will be produced and when, and are clear about rewards.

This clarity is particularly important with virtual teams, as there is less opportunity to share team perspectives, check back with others or spot misunderstandings. Team members also felt it was important for them to understand what was expected of them and to be comfortable knowing they were working at a similar output rate to others. Celebrating and acknowledging good performance was seen to be an important and motivating part of a manager's role.

Action points

- Encourage team members to keep a written log of their achievements.
- Establish protocols for decision-making so team members are clear about when decisions can be made unilaterally and when others need to be involved in order to increase speed and efficiency of decisions and avoid confusion or resentment among the team.

6. Provides links with the wider organisation

Virtual managers need to make dispersed teams feel part of the organisation even if they are geographically separate from it. They need to provide the link with the wider organisation, both in terms of understanding the organisation's goals and relating the teams' role in the organisation's purpose back to the team. It also helps if there is a strong vision and set of values to hold the organisation together and provide clear guidelines for empowered employees. Sharing a vision can help motivate workers when they feel isolated by the distance.

Some virtual workers feel that they will lose the visibility required for promotions. Research by Futurestep found that 61% of global executives say they think telecommuters are less likely to advance in their careers, compared with employees in a traditional office setting.⁸ Feeling isolated or deprived

of vital training and mentoring can obviously have a serious negative impact on motivation.

Effective virtual managers need to develop their teams through career plans and providing new challenges and development opportunities. They need to maintain good networks with people in the wider organisation and share their team's achievements with key people in the organisation. One respondent reported, 'Teams only trust a remote leader if that leader is seen to be locally connected and therefore in a position to help with local politics, organisation, career matters and HR issues.' Effective virtual managers can take the helicopter view, zooming out for the big picture and moving in close to understand what is happening on the ground.

Action points

- Copy senior figures into emails that acknowledge a team's or individual's accomplishments.
- Take an active interest in individual's careers and ensure their training and development needs are met.

This article was first published in *SR16, Managing Teams*, June 2007.

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WHY SHOULD ANYONE WILLINGLY FOLLOW YOU?

Do you want to improve your leadership skills? **Jonathan Perks** explains how developing your emotional intelligence quotient (EQ) will help you achieve that goal.

The most effective leaders are alike in one crucial way: they all have a high degree of what has come to be known as emotional intelligence quotient, or 'EQ' for short. What is emotional intelligence quotient? According to Daniel Goleman, who devised the concept, EQ is "the capacity for recognising our own feelings and those of others, for motivating ourselves, and for managing emotions well..."

It's not that IQ and technical financial skills are irrelevant, but research clearly shows that a person can have the best training in the world, a sharp, analytical mind, and an endless supply of smart ideas, yet he/she still won't make a great leader without a high EQ.

Research* by the late David McClelland, a Harvard PhD and leading researcher and expert in leadership effectiveness, found that for executives who were rated high on six or more traits associated with emotional intelligence, their performance was better than average:

- their divisions outperformed yearly revenue targets by an average 15-20%; and
- 87% of the executives came in the top 33.3% for annual salary bonuses based on the performance of their businesses.

Also, research from Daniel Goleman in 'Working with emotional intelligence', and further research survey findings from the Fortune/Hay Group 1999 'Executive survey of leadership effectiveness' found that EQ is twice as important as cognitive abilities in predicting outstanding employee performance and EQ accounts for more than 85% of 'star' performance in top leaders.

46% of newly-hired employees will fail

A new study by the leadership training and research company Leadership IQ provides gloomy predictions of general employee ability. Some 46% of newly-hired employees will fail within 18 months, only 19% will achieve unequivocal success and the main reason is poor interpersonal skills. Many managers admit that weak interpersonal skills are overlooked during the interview process. "The typical interview process fixates on ensuring that new hires are technically competent," explains Mark Murphy, chief executive officer (CEO) of Leadership IQ. "But coachability, emotional intelligence, motivation and temperament are much more predictive of a new hire's success or failure."

* 'What's your EQ? – assessing leadership characteristics', Northwest Entrepreneur Network.



Jonathan Perks MBE MA MBA is a global leadership coach for CEOs and author of the new book *Inspiring Leadership*.
jp@jonathanperks.com
www.jonathanperks.com

'Executives with high EQ had better performance'

Measuring your EQ

Based on 20 years of research by Dr Reuven Bar-On and tested on over 450,000 individuals worldwide, the eponymous Bar-On EQ-i test claims to be the most validated measure of emotional intelligence in the world. It is based on a 'whole person' approach which focuses on the health and well-being of the individual, whether in their personal lives or at work.

Are you up for self-assessment? You may be interested in plotting your view (and possibly that of colleagues) of where on the scale you sit. Have a go on the table opposite.

There are various ways to improve your EQ, if you believe that is necessary. They include:

- interpersonal skills/leadership development training;
- raising awareness through further reading and discussion with others;
- identifying role models and learning from them;
- putting yourself in situations where you can try out new approaches and behaviours; and
- examining the systems within which you work and look at how these support or hinder higher EQ approaches.

The key is to be open to continually learning better skills for leading your team successfully with less effort.

The original version of this article was published in *F&M*143, April 2007.

FURTHER RESOURCES

Websites:

Directory of EQ/EI sites – www.eq.org
Daniel Goleman – www.danielgoleman.info/blog

Publications:

F J Landy, 'Some historical and scientific issues related to research on emotional intelligence', *Journal of Organizational Behavior*, no 26, pp411-424.
M Zeidner, G Matthews and RD Robert, 'Emotional intelligence in the workplace: a critical review', *Applied Psychology: An International Review*, no 53, pp371-399.

YOUR EMOTIONAL INTELLIGENCE SELF-ASSESSMENT

Readers should rate themselves according to their subjective view of whether their skills in each section are 'effective', 'enhanced' (better than average) or are an 'area for improvement' – in other words, need some work.

		An area for improvement	Effective	Enhanced
INTRAPERSONAL				
Self-regard	The ability to look at and understand oneself, respect and accept oneself, accepting one's perceived positive and negative aspects as well as one's limitations and possibilities.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Emotional self-awareness	The ability to recognise and understand one's feelings and emotions, differentiate between them, know what caused them.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Assertiveness	The ability to express feelings, beliefs, and thoughts and defend one's rights in a non-destructive way.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Independence	The ability to be self-reliant and self-directed in one's thinking and actions and to be free of emotional dependency; these people may ask for and consider the advice of others, but they rarely depend on others to make important decisions or do things for them.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Self-actualisation	The ability to realise one's potential capacities and to strive to do what one wants to do and enjoys doing.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
INTERPERSONAL				
Empathy	The ability to be attentive to, to understand, and to appreciate the feelings of others ... being able to 'emotionally read' other people.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Social responsibility	The ability to demonstrate oneself as a co-operative, contributing and constructive member of one's social group.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Interpersonal relationships	The ability to establish and maintain mutually satisfying relationships characterised by intimacy and by giving/receiving affection.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
STRESS MANAGEMENT				
Stress tolerance	The ability to withstand adverse events and stressful situations without falling apart by actively and confidently coping with stress.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Impulse control	The ability to resist or delay an impulse, drive, or temptation to act.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
ADAPTABILITY				
Reality-testing	The ability to assess the correspondence between what is experienced (the subjective) and what exists (the objective).	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Flexibility	The ability to adjust one's emotions, thoughts, and behaviour to changing situations and conditions.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Problem-solving	The ability to identify and define problems as well as to generate and implement potentially effective solutions.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
GENERAL MOOD				
Optimism	The ability to look at the brighter side of life and to maintain a positive attitude even in the face of adversity.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Happiness	The ability to feel satisfied with one's life, to enjoy oneself and others, and to have fun.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

DEALING WITH CONFLICT

Conflict management is an essential business skill. Here **Karen Lee** reviews how and why conflict arises in the workplace, the problems it can cause, and how to deal with it. The importance of the individual's personality in determining how to resolve the conflict is considered, and four styles of conflict management are explained.

A consultant to finance directors recently estimated that her clients spend at least 85% of their time dealing with people dilemmas (most of which involve conflict of some kind), and not in dealing with finance strategy or financial issues. She also noted, however, that most people make attempts to avoid dealing with conflict and/or they are not skilled at managing situations that involve conflict, and so many people situations or dilemmas remain partially or wholly unresolved.

Benne (1982) speculated that an audience asked for its reactions to the word 'conflict' would come up with a variety of responses, ranging from those with highly negative connotations (for example aggressiveness, violence or destruction) to more positive ones (for example adventure, drama and excitement).¹ He felt that the idea of conflict engenders a basic ambivalence in us, because in reality conflicts can be both negative and positive. Attitudes towards conflict can range from it being described as 'healthy' or a 'normal part of life' to 'to be avoided at all costs' or 'rude'.

Whether we are dealing with workplace conflict or personal conflict, our attitudes towards conflict, ways of dealing with conflict and comfort level with the emotions associated with conflict vary according to our:

- upbringing;
- personality style;
- cultural background; and
- gender (possibly).

A representative from a well respected business school in the UK once said that he felt that there was a need to run a course on how to handle conflict in the workplace, but that the course would have to be renamed so that the title did not include the word 'conflict'. He believed that UK managers would either not admit that they had conflict in the workplace, or would be made very uneasy by the prospect of attending a course that dealt with it. The course was subsequently offered with the word 'conflict' in its name, and it did not attract enough participants to run.

Conflict can have both benefits and costs. These are usually associated with whether or not the conflict is recognised and dealt with in a way that produces positive consequences and outcomes. Hoffman, in literature from his organisation Concorde, stated that the beneficial outcomes of dealing well with conflict can include:

- focusing attention on the real problems (for example in an organisation);
- preventing social stagnation;
- encouraging growth and change; and
- increasing internal cohesion.

On the other hand, not dealing well with conflict, or dealing with it by using dominance and imposition, withdrawal or avoidance can lead to cycles of violence or vengeance. In a workplace situation, this may involve:

- refusal to work with certain people;
- not cooperating in supplying resources to another's project; and
- out-and-out sabotage of projects.

In an article on psychology in management (Lee (1999)),² I stated that it is common for there to be situations involving conflict in organisations, for example:

- dealing with difficult employees;
- labour management issues;
- office politics;
- distribution of workload; and
- responsibility and accountability issues.

Difficult situations that are well handled and quickly dealt with can strengthen the trust that employees have in their management and, indeed, in the organisation as a whole, and thus create a psychologically healthy working environment. However, if they are not dealt with, such situations, especially when they are allowed to become chronic, can result in:

- low morale;
- high staff turnover;
- illness;
- depression;
- chronic absenteeism; and
- lateness.

The article gave an example of a man in his early fifties who had been with his organisation for eight years in a senior management position. For the last four years, the personnel department had been aware of his inappropriate methods of managing the staff who reported to him directly. He shouted at them, leaving them shaking and in tears, made unreasonable demands on their time, grilled them, and went over every piece of their work in excruciating detail.

An internal report described his management style as 'aggressive, bullying and confrontational'. His peers had periodically given him feedback regarding his behaviour, which resulted in him making minor, temporary changes and then reverting to old patterns. Despite all this, action was only taken when a complaint was made to the personnel department from outside the organisation by a relative of another employee. Those who held authority and responsibility not only did not have the skills to deal with him, but also lacked the will to do so. Thus a large number of employees were left at the mercy of this difficult manager and his inappropriate style.

Managers need to be able to distinguish between 'true' conflicts in the workplace and their attempts to resolve their own internal anxieties. They should ask themselves

At the time of writing, Karen Lee was a visiting fellow at Cranfield School of Management.

'A manager's awareness of his or her own internal anxiety levels and what he or she does to cope with them could be invaluable in understanding reactions to workplace conflict'

how much real need there is to eliminate difference of opinion, differences in ways of doing things, methods, and so on, and how much they are trying to accommodate their own inability to tolerate difference. People have their own ideas and ways of dealing with the world. If they are to be individuals in the workplace and not clones, they must necessarily bring these ideas and methods to the workplace, and their personal effectiveness will depend on their ability to negotiate with their fellow workers about them.

Accommodating or tolerating difference, for example when someone holds different views from our own or looks different from us, involves dealing with levels of personal anxiety. When there are differences, it may feel to us as though our own values and ways of being are being challenged by others. In other words, our own ways of being are not confirmed or verified by those who are different. We must then ask ourselves how much we need to have others agree with us simply so that we can feel comfortable.

Those in a position to deal with conflict have to do the following:

- have the ability to understand such situations, in terms of both the content of the conflict and the emotions involved;
- have the skills to deal with the situations; and
- have personality attributes such as maturity and courage (that is, have the ability to stand alone) that will enable them to take action when necessary rather than avoid it.

What is conflict?

Thomas (1976) defined conflict as a process that begins when one of the parties to an interaction perceives that another has frustrated or is about to frustrate one of his or her needs or concerns.³ Ross's comment (1982) was that, if this is so, it is no wonder that conflict is so pervasive. He also stated that dealing with conflict is one of the most important social skills that one can acquire.⁴ It is certainly a key managerial and leadership skill.

Conflict can also be defined as any situation in which there is difference that is unresolved. Mutually exclusive goals and or values either exist or are perceived to exist by the parties involved. Conflict may involve situations in which two or more parties seek to impose their will on one another. These parties may be in conflict over a single resource, value, vision or strategy, for example, or one group or individual can be in conflict over several alternatives. Sometimes there is only one way in which something can be done, and this must be chosen from the known alternatives, or sometimes a completely new solution must be invented.

At an even more basic level, Freud described conflict as essentially an internal, psychological

struggle between the demands of our id (what our instincts would urge us to do), our superego (what we 'should' do in order to be perfect) and our conscious self, or ego, which tries to mediate between the two by considering thoughtfully what, in its best judgement, the situation calls for (Fischer (1970)).⁵ He stated that conflict between these parts of us over what action we should take causes anxiety in us, and this anxiety 'demands' resolution of the conflict by some means or other. Freud further believed that people's ability to deal with external conflict is directly related to their ability to resolve their own internal conflicts. If this is so, a manager's awareness of his or her own internal anxiety levels, and what he or she does to cope with it (that is, avoid, confront, and so on) could be invaluable in understanding reactions to workplace conflict and the ability to deal with it.

In any conflict, as far as is possible, it is important to separate out:

- the facts about the conflict;
- emotional reactions to the conflict (eg anxiety); and
- ways or styles of coping with the conflict.

While these three groups of factors are interrelated, it is essential to distinguish between them and deal with each effectively.

Personal style in dealing with conflict

There is some evidence (Thomas and Kilmann (1974)) that people develop certain preferred styles in coping with conflict, and with the anxiety engendered by conflictual situations.⁶ These styles are dependent on, for example:

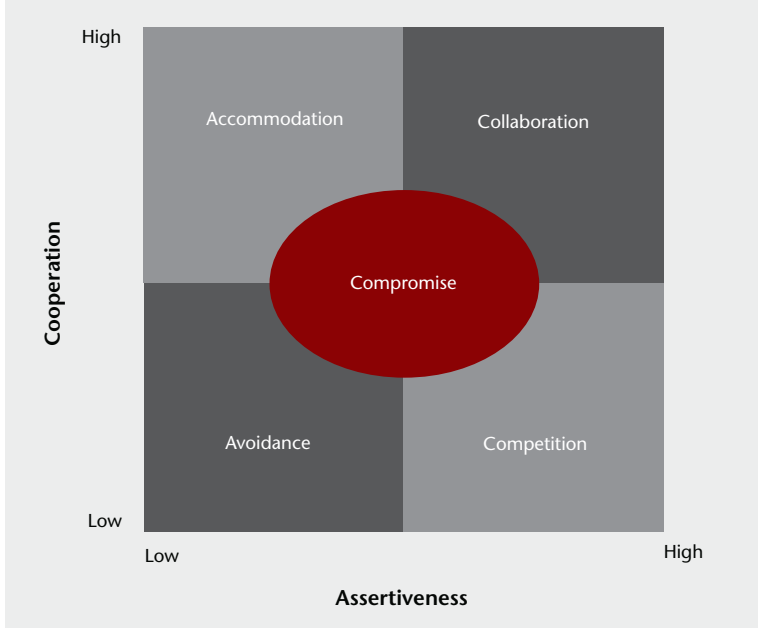
- personality factors;
- experiences;
- cultural background;
- family preferences; and
- school training.

Often these ways of coping are used out of our conscious awareness. A manager's preferred way of coping with conflict may or may not be the most appropriate method in a particular situation. The best way to maximise one's success rate in using an appropriate coping style is:

- to be aware of as many styles as possible; and
- to be flexible in terms of being able to use the style that best fits the situation (which means having skills or knowledge combined with appropriate personality attributes).

For some people this flexibility is a natural part of their personality makeup. For others who use one style or method of coping almost exclusively, it can be difficult to achieve a more open or flexible style when dealing with conflict. Thomas and Kilmann developed a questionnaire

Figure 1 THOMAS-KILMANN MODEL MATRIX



to help people to identify their preferred style of coping with conflict. The styles or methods are based on two dimensions of behaviour:

- how assertive or unassertive a person's behavioural response to conflict is; and
- how cooperative or uncooperative the person's response is (see Figure 1, above).

Competition

Competition is a style that is based on being high in assertiveness and low on cooperation. It is based on the desire to meet one's own needs and concerns at the expense of others' interests. As it is a power-oriented style, those who use it gain cooperation by force, and they engender defensive reactions in others.

It is used in the workplace by overbearing people who insist on always getting their own way, as in the above example of the manager in his fifties. Those who use it repeatedly are bullies.

However, there are times when it is the most appropriate method to use when used judiciously. For example, it is a suitable style if someone has to protect him or herself or others from those (for example bullies) who take advantage of non-competitive behaviour.

Avoidance

Avoidance is characterised by uncooperative and unassertive behaviour. The conflict is not addressed, and both parties could be seen to be, or actually are, indifferent to the other's needs and concerns.

While this can be a useful technique to use temporarily while tempers are heated or when there is insufficient information to proceed, it is rarely a good permanent solution. As a permanent situation, it is useful only when the possibility of reaching a resolution is very low, or when it is better that someone else resolve the conflict (perhaps the manager in the case of a conflict between two employees).

Accommodation

Accommodation is characterised by cooperative and unassertive behaviour. The other party's needs and

concerns are placed above the person's own, even if he or she has very strong needs and concerns in relation to the conflict. This is an appropriate coping style if one party is not as concerned about the issue as the other, or when one person has a great deal more power than the other. It is a commonly used method of coping with young children.

Collaboration

Collaboration involves the maximum use of cooperation and assertiveness. This style aims to satisfy the needs and concerns of both parties. Ross (1982) says that this style:

1. acknowledges that there is a conflict;
2. identifies and acknowledges each party's needs, concerns and goals;
3. identifies alternative resolutions and their consequences for each party;
4. selects the alternative that meets the concerns and accomplishes the goals of both parties; and
5. implements the alternative selected, and evaluates the results.

This style requires more commitment, time and energy than the other styles. It is therefore often not used when people think that they have to 'get on with it' on projects and other team tasks. However, it is actually all the more appropriate in many workplace situations in which the resolution (for example the way forward on projects) will need the ongoing support of all parties.

Compromise

Compromise is midway between all of the other styles. It thus achieves only a partial fulfilment of the needs, concerns and goals of each of the persons or parties involved. It only partly achieves the benefits of collaboration, for example, but it helps to avoid some of the pitfalls of the other styles.

This is a suitable style when:

- a temporary solution is sought;
- the parties have only a moderate investment in their interests; and
- there is strong commitment to mutually exclusive goals and it is unlikely that either party will be able to dominate the other.

A knowledge of conflict style is essential to:

- assess the type of conflict with which one is faced, and the type of solution it requires; and
- be aware of one's tendency to use a particular style, and be able to either use it or set it aside according to the needs of the situation.

Skills in dealing with conflict

The skills needed to deal with conflict can be summarised as follows:

- excellent communication skills;

'For management personnel as a whole, dealing with conflict efficiently is a time saver and morale booster for all'

- the ability to recognise and deal effectively with emotions (both one's own and those of all the other parties to the conflict); and
- the ability to work toward the common good in a situation.

Kindler (1988), in his work on managing disagreement constructively,⁷ outlines some basic guiding principles to keep in mind:

- preserve the dignity and self-respect of all concerned;
- listen with empathy;
- expect to change only the particular behaviour of others that affects the conflict in question, not their basic behavioural style; and
- express your independent perspective even if it cannot be satisfied.

This attitudinal framework helps to provide the context for a straightforward method of dealing with conflict:

1. prepare yourself for the negotiation. Consider and write down what you will say. Make an appointment to deal with the conflict;
2. 'send' your message. Usually this should be done in person;
3. after you have delivered your message, be silent. Allow the other party or parties to respond, react or just take in the message;
4. listen reflectively to their response. Be prepared for other parties to deny, defend themselves, or offer rational explanations for behaviours. Also, be prepared for the possibility that you may have incorrect or incomplete information;
5. recycle the process if necessary; and
6. focus on finding a solution (rather than on trying to determine who is to blame for the conflict).

If you are the mediating party in a conflict, you can structure and facilitate the process in a similar way.

Summary

Dealing with conflict, dealing with difference, or dealing with the frustration of not getting all that we want in a situation is a normal part of workplace existence. We can do it well or poorly; it is our choice. However, dealing with conflict is an essential managerial skill. We learn to do it in the same way that we learn to do many things: informally, for example through experience, family rules and cultural norms. It may or may not be appropriate to use those methods when faced with workplace conflict. With the increasing emphasis on effective teamwork in the workplace, and also effective project management, dealing with conflict in a skilled, caring and business-like manner is essential.

To deal effectively with conflict situations, we have to examine our own attitudes about conflict, and question whether we have the flexibility and the skills required to

deal with it appropriately. If the answer is no, we should view it in the same way as any other managerial skill; it must be learned and practised if we want to be able to use it effectively. It is not necessarily a natural skill for many of us, but it certainly can be learned.

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FURTHER READING

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A basic reference with lots of examples and an emphasis on communication skills.
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A good easy-to-read reference on all the basics of conflict, from individual ways of dealing with conflict, through the dynamics of conflict, to steps for resolution.
- W F G Mastenbroek, *Conflict Management and Organization Development*, John Wiley & Sons, 1987.
A book on the organisational context of conflict and negotiation.
- K A Slaikeu and R H Hasson, *Controlling the Costs of Conflict*, Jossey-Bass, 1998.
Describes systematic preventative measures that an organisation can take to deal with conflict.
- D A Whetton and K S Cameron, *Developing Management Skills*, Scott, Foresman, 1984.
A general book on the necessary skills for good people management that includes a good chapter on managing conflict.

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