Strategies for Hydro Leaders In Challenging Times

Hydro industry leaders face many challenges — project relicensing, legislative and political pressure, demands for mitigation of environmental effects, financial pressures, and terrorist threats, to name a few. Developing strategies to foster teamwork and creatively deal with challenges can help leaders successfully guide their staff to find innovative solutions.

By Lynne Eisaguirre

Leaders in the hydroelectric industry face numerous challenges — relicensing issues; regulatory, legislative, and political pressure; internal reorganizations, mergers, and acquisitions; demands for mitigation of environmental effects; financial pressures; and terrorist threats.

During these challenging times, hydro leaders need strategies to creatively deal with adversity and foster teamwork. I offer four strategies that can help hydro industry leaders make the best decisions and successfully guide their staff to find innovative solutions to the challenges they face:

- Get off the ground
- See through the clouds
- Take others with you
- Use productive conflict as a creative force.

Get off the ground

Your view of a problem typically helps determine the result. When you are on the ground (i.e., in the midst of the day-to-day grind), your view is an immediate one. It is hard to see more than 100 yards ahead. But, if you get “off the ground” and develop what I call the “eagle perspective,” you can see beyond the immediate problems and are able to visualize an overall solution and recognize opportunities.

Take the attitude of one of my clients, a property manager for more than 20 years. For dozens of buildings, he tackles a constant stream of broken skylights, clogged drains, and lost keys, as well as more serious problems of collapsed roofs and flooded basements without complaint. “If you don’t like solving problems, you shouldn’t be in this business,” he says. “I love going to work every day because I know I’m going to be able to fix all those problems and be a hero.”

But instead of being energized by the challenges they face, many leaders feel overwhelmed. This attitude makes it difficult to gain the “off the ground” perspective. Instead of getting overwhelmed by challenge, embrace it.

Without challenges, people can become intellectually lazy. Good times give leaders a false sense of reality: they gloss over problems and avoid conflict. They focus elsewhere and become complacent.

Leaders in the hydro industry agree that current challenges demand new strategies. John Suleway, executive director of the licensing division of the New York Power Authority (NYPa) and past president of the National Hydro-power Association (NHA), finds that the key to leading in challenging times is being willing to adapt, change, and be flexible. “Leaders who are unwilling to adapt in this environment are going to get killed,” he says.

See through the clouds

Maintaining the off-the-ground, eagle perspective is challenging for employees and leaders — especially in difficult times. But once you are off the ground, you are better able to see through the clouds. In difficult times, many leaders are surrounded by a fog that distorts the problem. For example, when faced with employee issues, leaders often believe the problem is one of “vision” — they have not explained the situation well enough or have not successfully articulated their solution. As a result, leaders give more speeches, trying to fire up employees. But my experience is that more explanation does not help. Instead, leaders need to see through the clouds and understand the emotional state of their employees.

The sad fact during challenging times is that many of the people you are trying to lead are enraged. Every skirmish becomes a battle. Constant changes, terrorist threats, and economic uncertainty have created workplaces full of rage and denial. In fact, many leaders also are enraged. This situation sets off a whole psychological dynamic that leaders must learn how to handle. As one university executive I coach recently complained, “People are fighting about paper clips.”

What is even more challenging is that a lot of rage has gone underground. Rather than openly acknowledging their anger, people work slower, meander around corporate directives, or “forget” to accomplish certain tasks. Executives and managers then flounder in a sea of confusion, wondering why their objectives remain uncompleted.

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Once leaders can see through the cloud created by their own and their employees’ denial and rage, they can more successfully address the real issues.

**Bring others with you**

The true test of leadership is if others follow. “No matter what kind of challenge, one of the most important things is to have a good staff and manage them in such a way as to let them do their jobs and be available when needed,” says Suloway. “I’ve seen too many managers who micromanage or are too detached.”

Alan Soneda, manager, safety, environmental, and license management for Pacific Gas and Electric (PG&E), supports a group that focuses on regulatory compliance. He has found that bringing others with you involves “a mix of push and pull.” On the “pull” side, you need to spend a lot of time describing the vision and letting people say “I don’t understand,” Soneda explains. On the push side, you need to make it clear that they must go in a certain direction.

Helping others learn to manage stress is another leadership necessity. Soneda finds team members are so stressed with their workload that they will not ask for help when they need it. He sees a lot of stress-related symptoms: neck pain and headaches, for example. So Soneda has implemented various strategies to assist his employees, including bringing snacks to staff meetings to help people “break bread together,” in addition to talking about work.

Leaders also need to focus on asking the right questions. If you phrase the problem correctly, your team will find the answers. Yet when things are chaotic, it is tempting to let someone else formulate the problem. Soneda agrees that many questions come from outside the company. Instead of just passing them along to the team to address, he believes it is a critical skill to push back — especially with outside agencies — and make sure that they are asking the right question. To say: “A better question is this.”

**Make conflict productive**

Conflict increases during challenging times, meaning the need for creative conflict — what I call “good fights” — is even more acute. You must use your time wisely: generating constructive conflict, instead of wasting time on other kinds of disputes.

How do you know if conflict is good or bad? Productive conflicts share several overarching characteristics: they honor the value of conflict; they are open; they concern ideas, not personalities; and they involve the skillful expression and management of emotion.

Organizations with constructive conflicts are more creative, productive, and innovative — qualities every organization needs in today’s competitive environment. For example, Harvard researchers found that executives with high-tech companies who engaged in productive disputes generated more innovation and productivity than those with low levels of conflict.

There are many ways to use change and conflict productively. NYPA generated an alternative relicensing process before there was a regulatory requirement to consider such processes, Suloway says. Using a skilled facilitator, NYPA often had as many as 80 to 100 people “at the table.” This cooperative consultation process generated better and smoother results than approaching conflict destructively would have.

Generating good fights starts with attitudes that value conflict. Within organizations, a good fight “balances power relationships, promotes flexibility and adaptiveness, and prevents stagnation of work units.”

Once you realize the value of productive conflict, how do you create organizations that incubate good fights and discourage destructive disputes?

**Creating purpose and principles**

Most organizations have some kind of mission statement. Thoughtfully created, these statements can help companies achieve their goals and create a powerful culture.

John Devine, president of Devine Tarbell & Associates Inc., headquartered in Portland, Maine, has sailed many stormy seas, both through changes in his own company as well as nine years of service on the NHA board. As board president, Devine harnessed all his creative conflict management and consensus-building skills to unite the board. At the time, the industry faced numerous political and regulatory challenges. Yet, instead of focusing on external issues, he accomplished that consensus-building task by urging the group to define its principles, purpose, and values first.

“People feel better about themselves if they are principled people,” he asserts. “If people believe that, it separates out great from good. We coalesced around principles, and then we could ask: ‘What’s the best way to achieve that goal?’” Only after the board formed a unified front could they expand efforts to reach other industry groups and develop a unified industry response to legislative and regulatory proposals.

One of the most powerful statements you can make is that you recognize conflict is a part of life and can be valuable, and that it is your goal to skillfully manage conflict. This can show those who are constantly frustrated by its very existence that conflict is normal and healthy. Yet, leaders also need to make it clear that skillful and creative conflict management is something they consider part of everyone’s job description. Just making these statements and serving as role models for their enactment can help resolve many problems around conflict.

**Fostering a creative culture**

Of course, one purpose of productive conflict is to incubate more creativity. What other organizational characteristics encourage a creative and conflict-positive culture? A group of creativity researchers used the Department of Labor’s classification of the characteristics of U.S. organizations to determine what values led to innovation. They identified four factors:

1. People orientation, such as collaboration, supportiveness, and team orientation;
2. Risk taking, such as a willingness to experiment and aggressiveness;
3. Attention to detail, such as precision and results orientation; and
4. Stability, such as employment security.

These results suggest that an organizational culture that supports risk-taking, collaboration, quality, and security is likely to be innovative and “high performance.” They also found using teams and information-sharing led to higher levels of group interaction and fostered creative decision-making. Organizations with these characteristics will be most able to generate “good fights” and achieve the resulting innovation.

Perhaps one of the most critical components of fostering a creative culture is encouraging risk-taking. Devine discovered this first-hand as president of the NHA board. “Someone has to go out on a limb if you’re serious about being a team or a family. And, of course, it’s most comfortable not to be out there,” he says.

Many strategies encourage creative risk-taking: organizational norms, top management “walking the talk,” and managers encouraging risk. Without encouraging risks, it is challenging for anything creative to emerge, and creativity is essential to navigate challenging times. Researcher Amy Edmonson studied the effects of “psychological safety” in teams in an office furniture manufacturing company. Psychological safety “is characterized by a shared belief that well-intentioned action will not lead to punishment or rejection,” she says. She measured safety with a survey that included such statements as, “It is safe to take a risk on this team.” Edmonson found that the level of psychological safety team members felt affected learning behavior and led to higher team performance. She also found that team leadership needed to create the climate for risk-taking that led to enhanced performance.

Leaders must be careful how they respond to failure, as this affects whether team members are willing to take risks. For example, a superintendent at a steel company championed a $1.5 million arch saw for trimming finished steel beams. When he brought the saw to the site, the tool failed. After a year of unsuccessful tinkering, the saw was replaced. The superintendent was later promoted to vice president of operations, surprising outsiders who “can’t believe you can make a mistake like that and not get crucified.” By promoting the person who had made such a public and costly mistake, the leader provided a vivid example of encouraging risk-taking.

Leaders can deliver honest feedback in a way that encourages creativity and risk-taking. Alan Horn, chairman and CEO of Castle Rock Entertainment, is careful when presented with creative ideas such as screenplays or marketing tactics. He tries to cultivate a “heartfelt, internalized respect for what these people do.” When they present a new idea, he says, “I want to remember that they are completely vulnerable. My job is not to kill them but to find the bright, creative, special parts of their proposal and focus on those first, to ease their anxiety, make them feel less vulnerable. Then I have to find a graceful way into the parts of what they’ve brought that need improving.”

Such a culture helps incubate productive conflict and help leaders thrive and find the opportunities during challenging times.

Connectivity and conflict

Nurturing connectivity is also critical to fostering a culture of creative conflict. For example, one CEO of a high-tech company walks through his groups of developers to look for new and innovative ways to share programming research. Other companies foster connectivity by creating Internet sites related to specific projects and giving workers around the world access to the sites so they can share and learn.

Embracing conflict

What both hydro leaders and researchers affirm is that there is little conflict over issues, there is also likely to be poor decision-making. Successful teams avoid groupthink, which has been a primary cause of failure in both public and private sectors. Researchers have found “the alternative to conflict is usually not agreement, but apathy and disengagement.”

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